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NOVEMBER 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor   Bill Sheffield, Governor, State of Alaska

1 Engineer Shortage: Myth vs. Reality

ALASKA ECONOMIC TRENDS

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Funded by:

November 1983
Volume 3
Issue 11

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

The base year for the Composite Nonagricultural Employment Indexes graph appearing on page 12 is 1980. (1980 annual average employment = 100.0 for all three series).

ENGINEER SHORTAGE: MYTH VS. REALITY

By Betsy Jensvold

Introduction

During the last few years, reports about shortages of engineers have been frequent, and many observers have expressed concern that shortages may intensify. A closer inspection of the facts, however, indicates that recent shortages have been slight, or limited to particular specialities. In fact, according to the latest projections by the Bureau of Labor Statistics (BLS), there should be an overall balance between supply and demand throughout the 1980's.

This article explains why there is good reason not to believe in the widely publicized "engineer shortage." In addition, it describes the employment outlook for engineers in the United States and in Alaska, and identifies and explains the problems which do exist, and why some of those problems are unavoidable.

Is There a National Shortage? *1/*

One of the major reasons there have been so many conflicting reports about shortages of engineers is the fact that "shortage" has been defined in different ways by different people. In traditional economic terms, a shortage means that sufficient workers are not available and willing to work at the existing wage. Therefore, although the lengthy training period may cause delays in supply adjustments, raising wages should eliminate the shortage.

Unfortunately, there is no direct measurement of shortage since data collection programs do not gather information about job vacancies. However, related information about salaries, unemployment, transfers out of the occupation, and surveys of employers can assist in evaluating the market for engineers.

Salaries are a good indicator of market conditions since shortages are unlikely to occur without some bidding up of salaries. Table 1 shows the average starting salary of engineers relative to the average starting salaries of five other professional occupations—accountants, auditors, attorneys, buyers, and chemists. Note that beginning engineers have earned slightly more in recent years (in relation to other professionals) than they did during either the mid 1970's, which was a period of moderate demand, or in the early 1960's, which was a period of high demand. In contrast, Table 2 shows the average salary for experienced engineers relative to the average salary for experienced workers in the same five professional occupations. Clearly, some of the edge which new engineers have over other professions

Table 1. Starting salaries of engineers relative to starting salaries of other professional occupations and average salaries of all college-educated men, 1963-82

	Ratio of engineers' starting salaries to:	
Year	Average starting salaries of 5 professional occupations	Men 18 years and over with 4 or more years of college
1963	—	.751
1964	—	.747
1965	—	—
1966	1.128	.696
1967	1.124	.753
1968	1.132	.738
1969	1.098	.728
1970	1.088	.753
1971	1.073	.758
1972	1.062	.718
1973	1.060	.695
1974	1.081	.737
1975	1.075	.716
1976	1.107	.717
1977	1.107	.693
1978	1.136	.703
1979	1.167	.702
1980	1.184	.740
1981	1.211	.771
1982	1.193	—

Source: Bureau of Labor Statistics.

Table 2. Salaries of experienced engineers relative to salaries of experienced professionals and college-educated men, 1963-82

	Ratio of experienced engineers' salaries to:	
Year	Experienced workers in 5 professional occupations	Men 18 years and over with 4 or more years of college
1963	—	1.141
1964	—	1.120
1965	—	—
1966	1.205	1.056
1967	1.194	1.115
1968	1.191	1.072
1969	1.140	1.046
1970	1.132	1.084
1971	1.130	1.103
1972	1.123	1.063
1973	1.127	1.056
1974	1.112	1.111
1975	1.110	1.077
1976	1.113	1.069
1977	1.117	1.047
1978	1.112	1.059
1979	1.139	1.051
1980	1.122	1.085
1981	1.117	1.113
1982	1.123	—

Source: Bureau of Labor Statistics.

is lost as they remain in the occupation. This is consistent with the fact that new graduates have been in short supply since the late 1970's while experienced engineers have not.

Unemployment of engineers is another indicator of supply, since a decrease in unemployment would be expected during a shortage. Table 3 shows the unemployment rate for engineers from 1963-1982. Note that the recent rates of 1.2-2.4% are consistent with a slight shortage but not a severe one.

The frequency with which people leave an occupation can also indicate a shortage. For instance, if engineers are in short supply, one would expect employers to try to retain employees, thus reducing the rate at which engineers leave the field. BLS reports that 4.4% of all engineers left their field during 1980. While this rate is considerably lower than the 8.9% rate for all occupations, it is only slightly lower than the 5.1% rate for all professional and technical workers. Such a transfer rate may be consistent

Table 3. Engineers' unemployment rates, 1962-83

Year	Rate
1963	1.2%
1964	1.5
1965	1.1
1966	0.7
1967	0.7
1968	0.7
1969	0.8
1970	2.2
1971	2.9
1972	1.9
1973	1.0
1974	1.4
1975	2.6
1976	2.0
1977	1.3
1978	1.2
1979	1.2
1980	1.3
1981	1.5
1982	2.4

Note: The standard error of the 1982 rate is 4.4%. Other years' standard errors may vary slightly.
Source: Bureau of Labor Statistics.

with moderate shortages, but not with critical shortages. BLS data are not available for other time periods. However, National Science Foundation data indicate that the turnover rate was similiar from 1968-1972 (4.3%) and 1972-1978 (3.7%), both periods of reasonably good supply.

Another way to judge market conditions is simply to ask employers whether or not there is a shortage. The National Science Foundation surveyed 225 firms in October 1981. Although they found probable shortages in computer, electrical, electronic, and petroleum engineering; a rough balance in industrial, chemical, and mechanical engineering; and a probable surplus in civil engineering, there was disagreement over what constitutes an adequate supply. Many employers reported a shortage because they had been forced to offer higher salaries than planned, or to hire graduates with a lower class rank than desired. Of all those reporting a shortage, only 3% said they had reduced production or research and development as a result. The National Science Foundation repeated the survey in August 1982, and found that employers reported fewer shortages than in the previous year.

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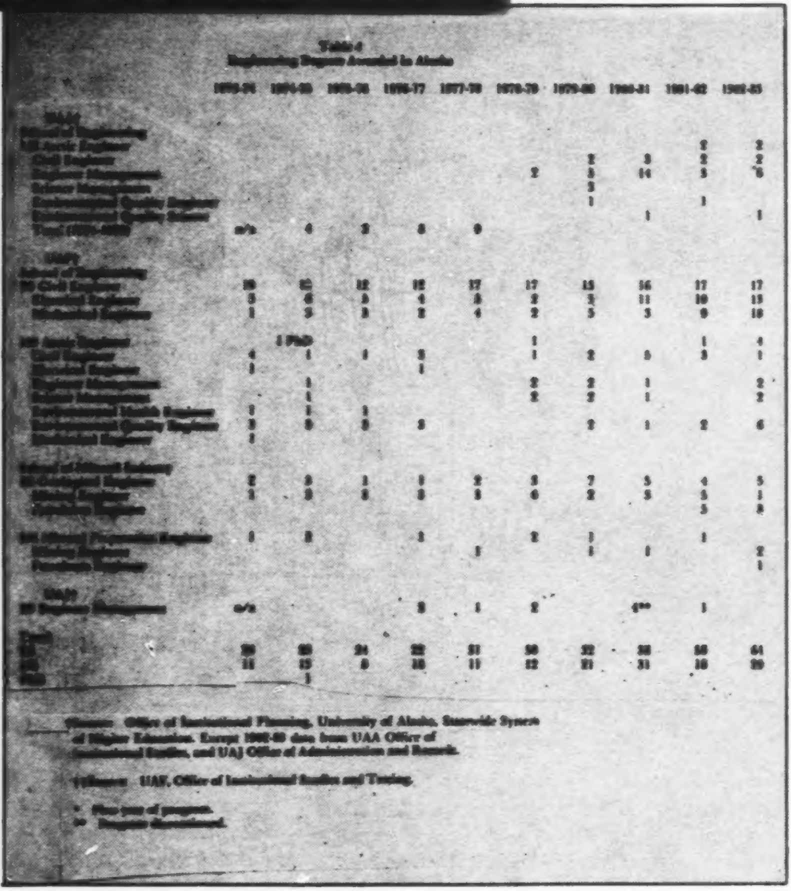


National Employment Outlook 2/

Two separate sets of projections are needed in order to forecast a future labor market: projections of demand and projections of supply. Studies which focus on only one side of this relationship may well reach inaccurate conclusions. In addition, care must be taken to recognize methodological biases and to avoid making extrapolations based on invalid assumptions. For instance, many of the reports which caused alarm by predicting severe shortages of engineers contained errors of this sort. One of the most widely publicized was the American Electronic Association's "Technical Employment Projections of Professionals and Paraprofessionals." This report was also one of the most widely criticized. It focused primarily on demand, and overstated future requirements because of biases inherent in its methodology.

In contrast, BLS has projected that requirements for engineers will be in rough balance with supply, on average, for the rest of the 1980's. BLS has projected that there will be 120,000 to 136,000 openings annually throughout the 1980's, depending on the rate of growth. Three-fourths of these openings are expected to be the result of replacement needs. Actual growth is expected to be 2.5-3.2% a year—a rate which is faster than the average projected for all occupations, but slower than the 4.7% annual growth achieved over the 1976-1981 period. These projections are based on several assumptions, including enough growth in the economy to reduce unemployment, increased productivity, and increased defense expenditures.

The picture is not complete, however, without evaluating the supply side. The National Center for Education Statistics has projected that an average of 74,000 bachelor's degrees in engineering and engineering technology will be awarded annually between 1980 and 1990. If entry rates observed during the 1970's continue, roughly 60,000 new engineering graduates will seek engineering jobs each year. Since employers have a preference for recent graduates, virtually all of them can be expected to find work. As a result, between 44% and 50% of the projected 120,000 to 136,000 job openings during the 1980's could be filled by those graduates.

This might indicate a potential shortage; however, during 1980 only about 44% of those who entered engineering were recent engineering graduates. Most other entrants were transfers from other occupations, although some were recent science and mathematics graduates, immigrant engineers, or persons over 55 who had not worked the previous year. Therefore, if the supply of new engineering graduates maintains current levels and if roughly the same percentage seek engineering jobs as did in the 1970's, no major imbalances will occur.

Is There an Alaskan Shortage?

Unfortunately, information about whether a shortage of engineers exists in Alaska is even harder to pin down than it is at the national level. No data have been compiled on unemployment or turnover rates, and limited salary information does not span enough years to identify trends or relationships. However, a casual survey of the student placement offices at the University of Alaska, Anchorage and the University of Alaska, Fairbanks indicates that graduates have had little difficulty finding work. Similar discussions with the deans of all three engineering schools support this conclusion.

Alaskan Employment Outlook

The current distribution of Alaskan engineers among industries, fields, and geographic areas is illustrated in three pie charts. Current distribution is important because future distribution is expected to follow the same general pattern. Consequently, the fact that particular specialities, areas, and industries dominate the overall picture is very important.

Rough estimates by the Alaska Department of Labor indicate that about 80-100 job openings will occur each year through 1988 as a result of industry growth. This prediction is based on the conservative assumption that current industry trends will continue. Assuming the BLS estimate that only one-fourth of the job openings for engineers will be due to growth holds true in Alaska, the total number of job openings each year should be between 320 and 400.

To evaluate the future supply of engineers it is necessary to look at the training programs which are available today. There are currently three engineering training programs in Alaska: the University of Alaska, Anchorage (UAA), School of Engineering; the University of Alaska, Fairbanks (UAF), School of Engineering; and the University of Alaska, Fairbanks, School of Mineral Industry. All three programs offer graduate and undergraduate training. However, the UAA undergraduate program is still quite young, and limited to civil engineering.

Table 4 lists the number of degrees awarded in each major at each school in Alaska. Only bachelor degree recipients should be used to estimate the supply of newly trained engineers because most graduate engineering students in Alaska continue to work while attending school, and consequently, are not entering the labor force. If the 80% national entrance rate holds true in Alaska, and if 90% of them stay in Alaska to work (as they did between 1973 and 1978)*2/*, then the 64 graduates in 1982-1983 should have resulted in about 47 individuals entering engineering positions in Alaska. This means that less than one-fifth of the job openings for engineers in Alaska were filled by recent Alaskan graduates. This proportion is very low, even taking into account the fact that recent engineering graduates accounted for only 44% of those who entered engineering nationwide in 1980. The supply in Alaska is improving, however. The number of bachelor degrees awarded has grown consistently in recent years, and all three programs report that enrollment has jumped significantly in the past year or two. Continuing increases in the number of degrees awarded are expected.

PROBLEMS IN THE DEMAND/SUPPLY EQUILIBRIUM

Unavoidable Short Term Imbalances

Although BLS has projected an overall balance through the decade, imbalances over short periods of time and among specialties are inevitable. Demand for engineers depends on a wide variety of factors, including technological developments, the general economic condition of the country, and public willingness to support defense, space, and public works projects. All of these factors fluctuate, some of them quickly and dramatically.

The minimum time required to train an individual as an engineer is four years. Alternative sources of supply, such as transfers from other fields, make adjustments possible, but there are limits to how quickly supply can be increased or decreased. In addition, in situations where new technology is significantly different from the old, some employers prefer to hire recent graduates rather than to re-train their older employees. Consequently, cyclical student enrollments tend to trail industry needs by four or five years.

Obsolescence Among Engineers

Obsolescence is a valid concern among engineers. However, there are factors which increase the risk, as well as ways of minimizing the danger. Engineers who are particularly susceptible to obsolescence include those who work in fields where technology is changing rapidly or where demand fluctuates drastically, as well as those who allow themselves to become overly specialized in a narrow area of technology. The risk of obsolescence can be minimized by choosing an industry, an employer, and a job function where changes occur more slowly. Most jobs in Alaska fall into this category. Some individuals sidestep the problem altogether by moving out of engineering into fields where their experience is more important than their technical expertise, such as management, administration, or sales. Continuing education is, of course, vital; especially for engineers who specialize in areas of rapidly changing technology.

Public Sector Salaries

Whenever a shortage of engineers exists, rising salaries should, over time, cause supply to rise to meet demand. Although this causes only minor difficulties for most private sector employers, it causes major problems for many public sector employers who often do not have the flexibility to raise engineers' salaries without raising the salaries of all other employees. This creates a class of employers who routinely have difficulty attracting and retaining engineers. Primary employers of this sort are universities, governmental agencies and the military. However, this is probably less of a problem in Alaska than in most of the country, since wages in the public sector more nearly match those in the private sector.

Engineering Faculty Shortage

Because colleges and universities often have inflexible salary schedules and scarce or obsolete laboratory equipment, they often find it difficult to attract and retain qualified faculty. According to the National Science Foundation, about 10% of engineering faculty jobs were vacant in the fall of 1980. Although BLS has predicted that the number of degree recipients would only have to remain at the 1981 level for supply and demand to be in rough balance through the 1980's, a faculty shortage such as this has the potential to cause either a decline in the quality of engineering education, or a decrease in the number of graduates.

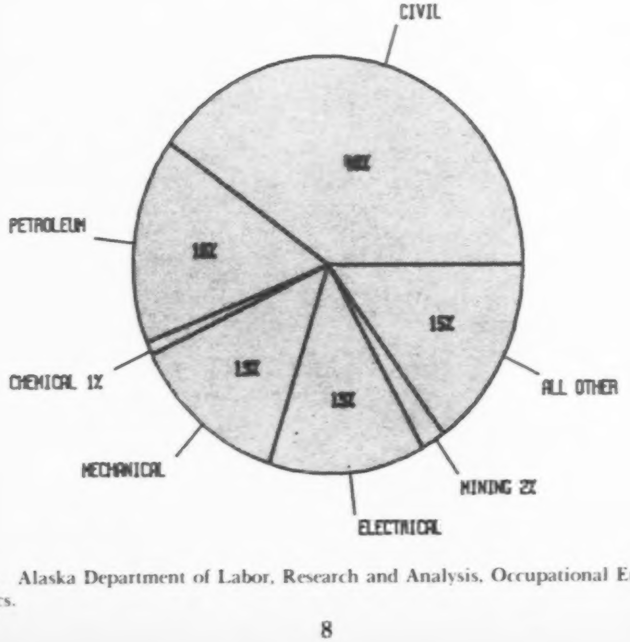
Summary

The publicized engineer shortage crisis has not occurred, and it is not expected to occur. There is clearly a strong demand for engineers. The employment outlook for engineers in the 1980's is good, both in the United States and in Alaska. Unfortunately, short term imbalances are unavoidable, and the required training period will cause an inevitable lag in supply. Cause for concern over the quality of engineer training programs has occurred because of the difficulty attracting and retaining qualified faculty, and the fact that laboratory equipment is scarce or obsolete at many universities. For individuals who wish to remain working as engineers, continuing education is absolutely vital. For those who do not, opportunities exist in management, administration, and sales.

1/ Condensed from "Occupational Outlook Quarterly"; U.S. Department of Labor, BLS, Summer 1983.

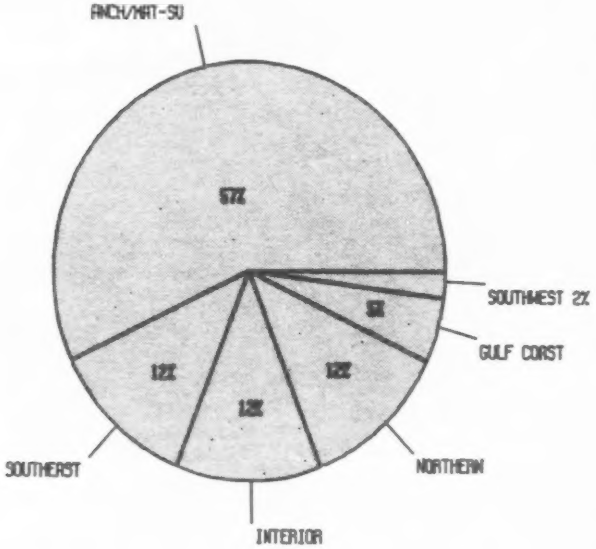
2/ 'Recommendations Regarding the Future Development and Organization of University of Alaska Engineering Programs,' Alaska Commission on Post Secondary Education, March 1979.

Distribution of Alaska Engineers by Field
1983

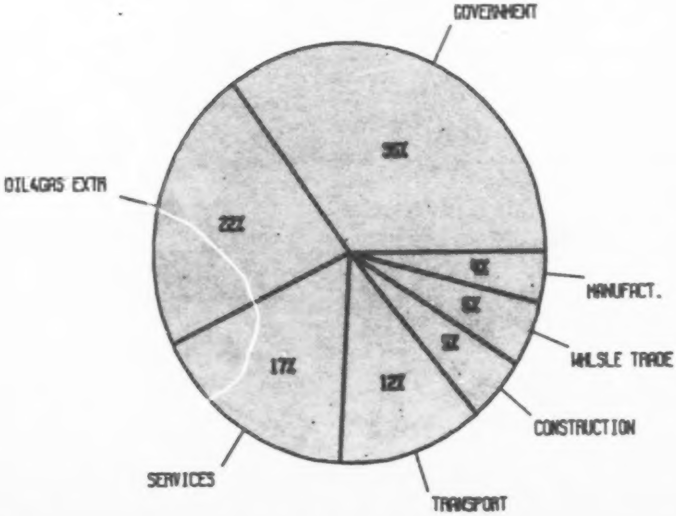


Source: Alaska Department of Labor, Research and Analysis, Occupational Employment Statistics.

Distribution of Alaska Engineers by Geographic Area
1983



Distribution of Alaska Engineers by Industry
1983



ALASKA

By John Boucher

September nonagricultural wage and salary employment for Alaska was 224,500, down 2.5% compared to August and 3.6% above the September 1982 level. For the third consecutive month, seafood processing has played a dominant role in the month to month change of total employment, overwhelming any gains or losses in other sectors of the economy.

Food and kindred products employment declined 41.1% during September. This month brought to a close one of the most prodigious salmon harvesting years in the State's history, and with it came the decline of fish processing employment. The downturn in 1983 was more dramatic than normal for two reasons: the peak of employment in July was a record high due to the record Bristol Bay salmon run and the shellfish catch, which normally helps offset the September downturn in employment, has been poor.

Other than food and kindred products, the only other major change in the employment picture was an 8.1% increase in local government. The beginning of the school year was responsible for the pickup in local government employment. Mining registered a 2.2% drop in over the month employment, largely due to decreased employment in the metal mining sector of the industry. Construction registered a gain of less than 1% over the month, and will most likely begin a seasonal decline over the next several months.

Unemployment

Alaska's unemployment rate dropped .6 of a percentage point to 7.6% in September. The unemployment rate is at its lowest point since August of 1979, when it was 7.3%. A drop from August to September is typical of the Alaskan unemployment rate, but this year's decline is considered steeper than normal.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P/	*R/*			
	9/83	8/83	9/82	8/83	9/82
Nonag. Wage & Salary	224500	230300	216800	-5800	7700
Mining	8500	8700	9500	-200	-1000
Construction	23900	23700	22100	200	1800
Manufacturing	15700	22200	16300	-6500	-600
Food & Kindred Prod.	9300	15800	9900	-6500	-600
Lumber & Paper Prod.	3200	3200	3400	0	-200
All Other Mfg.	3200	3200	3000	0	200
Trans. Comm. & Util.	19800	19900	19500	-100	300
Trucking & Whseing.	2400	2500	2500	-100	-100
Water Transportation	1600	1600	1600	0	0
Air Transportation	5700	5900	5900	-200	-200
Other Trans. Comm. & Utilities	10100	9900	9500	200	600
Trade	43300	43300	39700	0	3600
Wholesale Trade	8400	8400	7500	0	900
Retail Trade	34900	34900	32200	0	2700
Gen. Merchandise & Apparel	5400	5200	4600	200	800
Food Stores	5700	5700	5100	0	600
Eating & Drinking Places	12500	12500	11900	0	600
Other Retail Trade	11300	11500	10600	-200	700
Finance-Ins. & R. Estate	11000	11000	9900	0	1100
Services & Misc.	40700	41800	38100	-1100	2600
Government	61600	59700	61700	1900	-100
Federal	17700	17900	17900	-200	-200
State	18600	18400	18800	200	-200
Local	25300	23400	25000	1900	300

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

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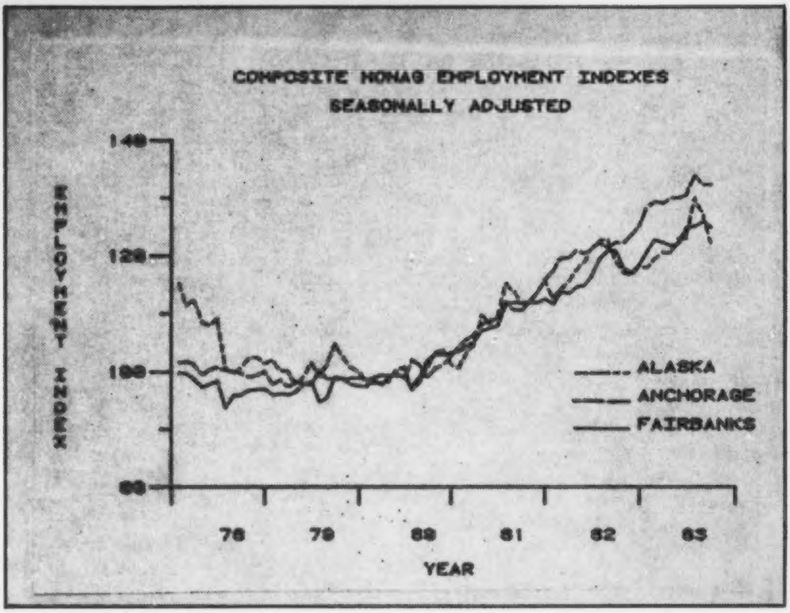

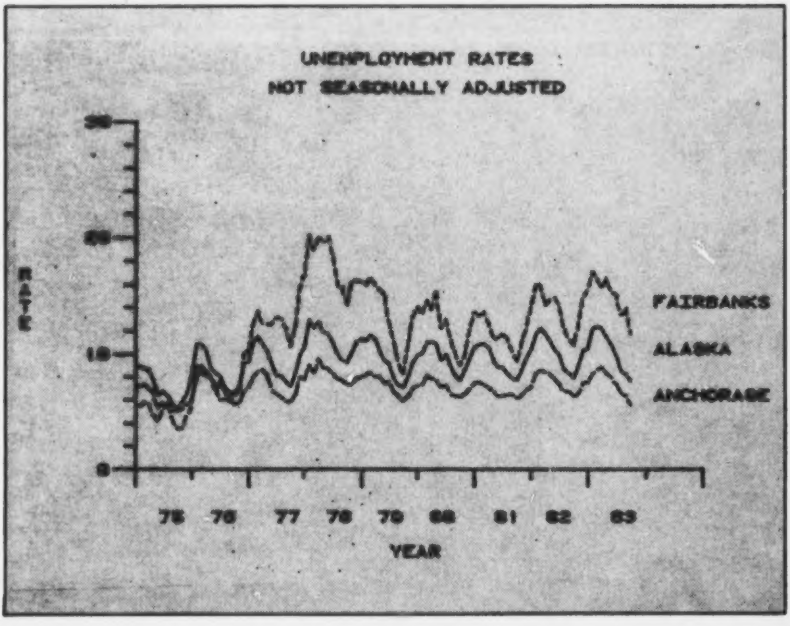

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	*R*		*P*	*R*		*P*	*R*		*P*	*R*	
	9/83	8/83	9/82	9/83	8/83	9/82	9/83	8/83	9/82	9/83	8/83	9/82
Alaska Statewide	221539	231989	211785	16909	18965	16807	7.6	8.2	7.9	204630	213024	194978
Anchorage-Matsu Region	113722	116876	107955	7034	8040	7339	6.2	6.9	6.8	106688	108836	100616
Anchorage	102573	105390	97467	5772	6640	6175	5.6	6.3	6.3	96801	98750	91292
Matanuska-Susitna	11149	11486	10488	1262	1400	1164	11.3	12.2	11.1	9887	10086	9324
Gulf Coast Region	24802	28986	23179	2411	2233	2703	9.7	7.7	11.7	22391	26753	20476
Cordova	1278	1480	1165	79	48	69	6.2	3.2	5.9	1199	1432	1096
Kenai	12904	15123	12031	1495	1492	1598	11.6	9.9	13.3	11409	13631	10433
Kodiak	5508	6342	5229	395	233	553	7.2	3.7	10.6	5113	6109	4676
Seward	1782	2068	1710	185	160	250	10.4	7.7	14.6	1597	1908	1460
Valdez	3330	3973	3044	257	300	233	7.7	7.6	7.7	3073	3673	2811
Interior Region	28961	30501	27256	3253	4136	2807	11.2	13.6	10.3	25708	26365	24449
Fairbanks	23721	24993	22304	2767	3504	2376	11.7	14.0	10.7	20954	21489	19928
Southeast Fairbanks	2300	2412	2154	198	256	155	8.6	10.6	7.2	2102	2156	1999
Upper Yukon	728	765	666	101	122	70	13.9	15.9	10.5	627	643	596
Yukon-Koyukuk	2212	2331	2132	187	254	206	8.5	10.9	9.7	2025	2077	1926
Northern Region	11488	11597	9755	768	1060	635	6.7	9.1	6.5	10720	10537	9120
Barrow North Slope	3094	3084	2631	202	242	171	6.5	7.8	6.5	2892	2842	2460
Kobuk	3578	3680	3052	251	410	222	7.0	11.1	7.3	3327	3270	2830
Nome	4816	4833	4072	315	408	242	6.5	8.4	5.9	4501	4425	3830
Southeast Region	31213	32378	32307	2692	2574	2582	8.6	7.9	8.0	28521	29804	29725
Angoon	421	466	427	44	72	34	10.5	15.5	8.0	377	394	393
Haines	1053	1092	1103	91	86	100	8.6	7.9	9.1	962	1006	1003
Juneau	11261	11717	11495	908	899	704	8.1	7.7	6.1	10353	10818	10791
Ketchikan	6518	6755	6670	518	485	417	7.9	7.2	6.3	6000	6270	6253
Outer Ketchikan	799	800	814	92	61	77	11.5	7.6	9.5	707	739	737
Prince of Wales	1531	1563	1567	211	184	192	13.8	11.8	12.3	1320	1379	1375
Sitka	4548	4710	4965	365	339	606	8.0	7.2	12.2	4183	4371	4359
Skagway	1610	1655	1577	215	197	123	13.4	11.9	7.8	1395	1458	1454
Wrangell-Petersburg	3472	3620	3689	248	251	329	7.1	6.9	8.9	3224	3369	3360
Southwest Region	11353	11651	11333	751	922	741	6.6	7.9	6.5	10602	10729	10592
Aleutian Islands	3026	3052	2994	143	134	114	4.7	4.4	3.8	2883	2918	2880
Bethel	3662	3823	3667	289	410	297	7.9	10.7	8.1	3373	3413	3370
Bristol Bay Borough	404	401	413	24	16	33	5.9	4.0	8.0	380	385	380
Bristol Bay	1492	1512	1505	68	71	83	4.6	4.7	5.5	1424	1441	1422
Kuskokwim	1003	1046	983	83	115	64	8.3	11.0	6.5	920	931	919
Wade Hampton	1766	1817	1771	144	176	150	8.2	9.7	8.5	1622	1641	1621

P/=Preliminary 1982 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

ANCHORAGE-MATSU

By Greg Huff

The CPI and Anchorage's Tax Increase Limitation

The Consumer Price Index (CPI), the most common indicator of change in the "cost of living", is used as an escalator in numerous contracts, leases and government entitlement programs. Recently, Anchorage voters passed Proposition 24, a tax increase limitation which in part will be tied to changes in the Anchorage CPI. This article reviews what data are available from the CPI in light of the initiative's vague language concerning the index. The only reference to the CPI in the initiative was that the federal consumer price index for Anchorage from the preceeding fiscal year be used. (NOTE: Municipality of Anchorage fiscal year is from January to December.)

The Anchorage CPI figures are released bi-monthly (January-November). The figures include the calculations for the CPI-W (Consumer Price Index for Wage and Clerical Workers) and the CPI-U (Consumer Price Index for All Urban Consumers). The two CPIs are based on different "market baskets" of purchased goods and services. The CPI-U approximates the buying habits of 80% of the population, while the CPI-W approximates the buying habits of 40% of the population. The CPI-U is the more commonly used index and reported in headlines.

From January to July of this year the Anchorage Consumer Price Index (CPI-U) registered increases below historical levels. During the last five months, the index's over-the-year change did not exceed 1% and, in fact, fell in May. This decline in inflation is misleading because of methodology changes causing inconsistency between 1983 and 1982 data. Because of this the BLS has recommended that in the short term, users of the CPI use either 1) a 12 month annual average, or 2) the U.S. rate; or 3) compare 1983 data only. Looking at the Anchorage CPI-U this way the index has risen 3.2% from January through July. If the CPI continues this same trend it will increase between 5.0% and 6.0% for the 1983 average. (Table 1 contains selected CPI changes from 1979 to the present index).

Because of the vague language concerning the usage of the CPI within the tax limitation initiative, Anchorage voters can expect debate from various political camps regarding the details of which CPI figure will be used in the calculation of tax increases.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/		CHANGES FROM:	
	9/83	8/83	9/82	8/83	9/82
Nonag. Wage & Salary	109650	110650	101250	-1000	8400
Mining	3250	3350	3450	-100	-200
Construction	11850	11550	10100	300	1750
Manufacturing	2700	3400	2300	-700	400
Food & Kindred Prod.	400	950	400	-550	0
Other Mfg.	2300	2450	1900	-150	400
Trans. Comm. & Util.	9250	9700	8450	-450	800
Trucking & Whseing.	1250	1350	1200	-100	50
Water Transportation	400	400	350	0	50
Air Transportation	3650	3900	3300	-250	350
Trade	25650	25800	23650	-150	2000
Wholesale Trade	6100	6150	5450	-50	650
Retail Trade	19550	19650	18200	-100	1350
Gen. Merchandise	1700	1750	1600	-50	100
Food Stores	2500	2550	2400	-50	100
Eating & Drinking Places	7500	7500	7100	0	400
Other Retail Trade	7850	7850	7100	0	750
Finance-Ins. & R. Estate	7200	7200	6450	0	750
Services & Misc.	24500	24600	21900	-100	2600
Government	25250	25050	24950	200	300
Federal	10350	10400	9900	-50	450
State	6250	6100	6400	150	-150
Local	8650	8550	8650	100	0

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/	R/		CHANGES FROM:	
	9/83	8/83	9/82	8/83	9/82
Nonag. Wage & Salary	115950	116550	107200	-600	8750
Mining	3350	3450	3550	-100	-200
Construction	12700	12450	11200	250	1500
Manufacturing	3050	3800	2650	-750	400
Trans. Comm. & Util.	9850	10250	8950	-400	900
Trade	26850	26950	24700	-100	2150
Finance-Ins. & R. Estate	7450	7450	6650	0	800
Services & Misc.	25850	25850	23100	0	2750
Government	26850	26350	26400	500	450

"Please see notes on back of title page."

Table 1
CPI-I Index Points and Changes for Selected Years

	Anchorage		U.S.	
	Index	% Change	Index	% Change
1979	207.0	-	217.4	-
1980	228.2	10.2	246.8	13.5
1981	246.5	8.0	272.4	10.4
1982	260.1	5.5	289.1	6.1
1983				
January	257.6	-	293.1	-
March	261.0	1.3	293.4	0.1
May	262.5	0.6	297.1	1.3
July	265.8	1.2	299.3	0.7

Labor Force

The September unemployment rate for the Anchorage-MatSu region followed historical patterns dipping to what may be the lowest point for the year. September rates fell despite overall declines in the number of jobs. Probable reasons include the departure of students who attend school and seasonal workers returning home.

Nonagricultural Employment

Nonagricultural employment in Anchorage and in the "valley" dropped in September primarily as a result of declines in food processing and in the air transportation industries. Seasonal forces also effected employment in other industries. Retail trade employment fell slightly due to the ending tourist season.

Over-the-year growth in Anchorage and MatSu continued to remain strong yet deterioration in some sectors has become apparent in recent months compared to 1982 growth.

FAIRBANKS/INTERIOR

By Neal Fried

Southeast Fairbanks-Tok and Delta
1980-1983

Southeast Fairbanks is basically made up of communities strung along the Alaska Highway and the Richardson Highway starting southeast of Fairbanks to Isibelli Pass. Some of the communities in the area are Tok, Nebesna, Big Delta, Delta Junction, Northway, Tanacross, Dot Lake, and Tetlin.

Southeast Fairbanks' wage and salary employment grew by 13% from 1980 to 1982, It continued to pick up steam in the first quarter of 1983, registering a 14% increase over the same quarter in 1982.

Many communities in the area cater to highway traffic. A dramatic increase in highway travel is partially responsible for the growth taking place in the area's economy. Most of this traffic comes from newcomers, tourists, and residents entering or leaving the state via the Alaska Highway.

With the completion of the oil pipeline in 1976 and skyrocketing gasoline prices, highway traffic dropped so dramatically, some communities along the highway worried that they would never make a comeback. In 1981, not only did tourist travel begin to pick up but economic refugees from elsewhere in the country began to pour into the state. The following year 139,436 people crossed through the Tok border station and 1983 appears to be a repeat of this. Highway travel of this volume only happened once before in 1975 during the height of pipeline construction.

The community which benefits most from this traffic is Tok, a town every car or bus has to pass through coming to Alaska via the Alaska Highway (unless Eagle is the sole destination). Tok has been a bustling community during the past two years. Many people are deciding to stop to eat, fix their cars, gas up, stay overnight or pick up some groceries before they travel to Fairbanks, Anchorage or some other destination in the state. There are more than five hotels in Tok and a new Sheffield hotel is now under construction. Though most people just pass through Tok, some stay since the Tok vicinity is where a large land disposal program has been taking place.

The state's record expenditures made during the past four years have also not left Tok unaffected. Expenditures include public construction (particularly road construction), state and school personnel, dividend payments and other state programs boosting employment.

The largest employer in Southeast Fairbanks remains government.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/ 9/83	R/ 8/83	9/82	CHANGES FROM: 8/83	 9/82
Nonag. Wage & Salary	27900	28150	26950	-250	950
Mining	350	350	350	0	0
Construction	3450	3750	2900	-300	550
Manufacturing	550	550	500	0	50
Trans. Comm. & Util.	3100	3050	3150	50	-50
Trucking & Whseing.	500	500	550	0	-50
Air Transportation	650	650	600	0	50
Other Trans. Comm. & Utilities	1950	1900	2000	50	-50
Trade	5650	5600	5250	50	400
Wholesale Trade	900	900	950	0	-50
Retail Trade	4750	4700	4300	50	450
Gen. Merchandise & Apparel	450	400	400	50	50
Food Stores	800	750	650	50	150
Other Retail Trade	3500	3550	3250	-50	250
Finance-Ins. & R. Estate	1000	1000	1150	0	-150
Services & Misc.	5300	5600	5200	-300	100
Government	8500	8250	8450	250	50
Federal	2400	2500	2400	-100	0
State	3550	3500	3800	50	-250
Local	2550	2250	2250	300	300

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/ 9/83	R/ 8/83	9/82	CHANGES FROM: 8/83	 9/82
Nonag. Wage & Salary	31750	32050	30950	-300	800
Mining	450	550	500	-100	-50
Construction	3600	3900	3000	-300	600
Manufacturing	600	600	550	0	50
Trans. Comm. & Util.	3950	3850	4050	100	-100
Trade	6200	6200	5650	0	550
Finance-Ins. & R. Estate	1100	1050	1200	50	-100
Services & Misc.	5900	6150	5550	-250	350
Government	9950	9750	10450	200	-500

"Please see notes on back of title page."

Government was responsible for 66% of wage and salary employment and 73% of the payroll in 1982. The single largest employer is the Federal Government. Fort Greely, just outside Big Delta, provides most of this Federal civilian employment. The Bureau of Land Management and other Federal agencies provide the balance. Federal employment grew by approximately 100 from 1980 to 1982, but it is not likely to grow much more because the military has no immediate plans for additional personnel and BLM is phasing out many of its people due to the state's acquisition of much BLM land in the area. State personnel are replacing these people and overall state and local government have contributed significantly to the growth in employment.

The Delta barley project is another state program which has contributed to growth in the area. The acreage of barley planted has tripled over the past four years (15 million acres in 1983). There are no hard facts regarding the employment this project has created in the area, but agricultural and infrastructure employment has been affected.

This growth does not mean Southeast Fairbanks has become a place of plenty and employment opportunity. Employment is extremely seasonal, swinging as much as 35% from the highest month to the lowest. Full-time, year-round jobs are scarce. The average unemployment rate for the area was 11.5% in 1982, hitting a high of 15.4% in February and a low of 7.2% in September. In the smaller communities of the area full time, wage employment is simply a luxury.

GULF COAST

By Neal Fried

Kodiak 1980-1983

During the 1980's, employment in the state has been growing at breakneck speed (23% since 1980). Announcements of new projects are grabbing headlines and communities are growing by leaps and bounds. Prosperity appears to be the order of the day, mostly fueled by record state expenditures made during the past four years.

In the midist of this record growth in employment, Kodiak's employment has not grown. There were actually fewer jobs in Kodiak in 1982 than in 1980. This trend appears to be continuing based on data for the first quarter of 1983. There is one simple reason why this occurred—a decline in fish processing employment, the single largest employer in Kodiak.

In 1980, fish processing employment averaged 1,544 jobs. That average dropped by 24% to 1,167 in 1982. This drop comes largely as a result of poor crab and shrimp catches during the past two years. The decline has been large enough to pull total employment down in Kodiak.

It would be unfair to blame fish processing alone for the decline in employment because Kodiak's logging industry has also hit the skids. Though the logging industry is much smaller, it has suffered losses because of worldwide recession.

This does not mean Kodiak's entire employment picture has remained bleak. There are industries that have flourished during these years.

Construction employment tripled from 1980 to 1982 and has continued to grow in 1983. Projects such as the Near Island bridge, Terror Lake dam, expansion of Dog Bay harbor, sewer and road building, in addition to a long list of other public construction projects, have boosted Kodiak's heavy construction employment. Residential construction is experiencing a surge, with the number of 1983 building permits issued through August (172) already exceeding the number issued during all of 1982. Commercial construction activity has also been on the upswing.

Retail trade is the other industry which has grown significantly during these years, adding approximately 100 jobs or 17.5% growth. All areas of retail trade have been growing, particularly the eating and drinking sector, mirroring the national trend.

Employment in most other industries has remained unchanged. Within government, the Federal sector lost employment, but state and local government increases more than made up for those losses.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	*R/*			
	9/83	8/83	9/82	8/83	9/82
Nonag. Wage & Salary	20700	24300	20450	-3600	250
Mining	800	850	850	-50	-50
Construction	2100	2250	2250	-150	-50
Manufacturing	4000	7400	4000	-3400	0
Food & Kindred Prod.	3150	6550	3250	-3400	-100
All Other Mfg.	850	850	750	0	100
Trans. & Comm. Util.	2200	2100	2100	100	100
Trade	3200	3350	3050	-150	150
Wholesale Trade	600	550	500	50	100
Retail Trade	2600	2800	2550	-200	50
Finance-Ins. & R. Estate	500	500	500	0	0
Services & Misc.	3300	3500	3000	-200	300
Government	4600	4350	4700	250	-100
Federal	500	500	550	0	-50
State	1250	1400	1500	-150	-250
Local	2850	2450	2650	400	200

"Please see notes on back of title page."

Kodiak Nonagricultural Employment
1980-1982

	1980	1981	1982
Total Nonagricultural Employment	4,644	4,377	4,399
Mining	0	0	0
Construction	101	136	304
Manufacturing	1,880	1,547	1,275
Food & Kindred Products	1,544	1,424	1,167
Other Manufacturing	336	123	108
Transportation	352	320	297
Trade	*	595	708
Wholesale	*	17	27
Retail	576	578	681
Finance, Insurance, & Real Estate	98	95	101
Services & Miscellaneous	584	637	670
Government	1,038	1,051	1,044
Federal	286	257	252
State	207	253	260
Local	545	541	532

* Nondisclosable

The immediate outlook for total employment in Kodiak is not good due a poor shrimp forecast and to the closure of the king crab fishery. The effect this closure will have on employment is illustrated by the fact that during the last two years, 79% of the shellfish catch during October through January was king crab. Construction, trade and government employment will help cushion these losses, but this may be little condolence to Kodiak's fish processing workers and fishermen. If these declines in shellfish stock continue for a number of years it will put a heavy drag on all other sectors of the economy.

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment declined 3.0% in September to 31,250 jobs. Most of the decline came from the seafood processing industry.

Food and kindred products employment declined by 30% in September, signaling the end of a very strong year for the Southeast Alaska fishing industry. Unfortunately the fall shellfish season doesn't look very promising, so employment should drop off during the next several months. The only other industry with notable change over the month was government, which grew 4.0%. This was due to an 11.3% pickup in local government employment, as school personnel returned to work.

Skagway Unemployment

Readers might have noticed a recent change in methodology which made the unemployment rate for Skagway jump by 6.8 percentage points. Federal methodology for determining unemployment at the census division level does not normally include railroad unemployment claimants. Until recently, the number of unemployed railroad workers was included in the regional totals (i.e. Southeast, Interior, etc.) but it was not disaggregated to the various census divisions. For Skagway, where the railroad made a substantial contribution to the labor force, this meant a distortion in the local unemployment rate when the railroad laid off a large number of employees. The Alaska Department of Labor recently received permission from the Bureau of Labor Statistics to use railroad claims as well as UI claims in the disaggregation of regional unemployment to the census divisions. The recent upward revision of the Skagway unemployment rate is the result of this effort.

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NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	9/83	8/83	9/82	8/83	9/82
Nonag. Wage & Salary	31250	32200	32150	-950	-900
Construction	2150	2150	2100	0	50
Manufacturing	5200	6450	6150	-1250	-950
Food & Kindred Prod.	2500	3600	3100	-1100	-600
Lumber & Paper Prod.	2500	2650	2800	-150	-300
All Other Mfg.	200	200	250	0	-50
Trans. Comm. & Util.	2200	2250	2550	-50	-350
Trade	4550	4550	4500	0	50
Wholesale Trade	400	400	400	0	0
Retail Trade	4150	4150	4100	0	50
Finance-Ins. & R. Estate	1000	1000	1000	0	0
Mining, Svcs. & Misc.	4200	4300	4350	-100	-150
Government	11950	11500	11500	450	450
Federal	2550	2550	2400	0	150
State	5450	5400	5400	50	50
Local	3950	3550	3700	400	250

"Please see notes on back of title page."

Southeast Nonagricultural Employment
1980-1982

	1980	1981	1982
Total Nonagricultural Employment	1,088	1,151	1,228
Mining	•	•	•
Construction	18	27	18
Manufacturing	•	7	9
Transportation	40	42	34
Trade	•	•	•
Wholesale	•	•	•
Retail	102	126	156
Finance, Insurance, & Real Estate	20	25	25
Services	255	230	163
Government	645	682	814
Federal	303	321	411
State	118	120	122
Local	223	241	290

• Nondisclosable

HOURINGS AND EARNINGS

By Kathryn Lizik

August hours and earnings held steady with July experiencing slight increases in the summer oriented industries of construction, manufacturing and transportation, communications and utilities.

Construction continued to remain strong as residential and commercial building projects progressed towards their finished status.

The food and kindred products sector of manufacturing saw a slight dip in average hourly earnings (1%) along with a 9% increase in average weekly hours as additional temporary crews were brought on to help process the record salmon harvests.

The 7% increase in the average hourly earnings of transportation, communication and utilities was partially due to the trucking industry's annual union pay increase.

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DECEMBER 1983

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

1 Job Opportunities in Alaska's Health Care Industry

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

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Funded by:

December 1983
Volume 3
Issue 12

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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

JOB OPPORTUNITIES IN ALASKA'S HEALTH CARE INDUSTRY

By Neal Fried and Greg Huff

Job opportunities in health care have changed radically since the early days of Alaska when health care careers were limited in scope. They ranged from a medical officer at one of the few scattered Army posts or on board a Navy or Revenue Marine ship to a small number of doctors, nurses or aides working for one of the religious groups providing limited medical services as part of their mission work. Today there are many career opportunities in health care especially in "hub" communities.

This article is part I of a two part series of employment opportunities in health care occupations in Alaska. Part I will focus on opportunities in the acute care facilities (hospitals) and long term care facilities (nursing, mental health and the handicapped). Employment in these subsectors of the health care industry represent 50% of all health care jobs in the state. Part II will discuss opportunities in clinics, dentist and physicians offices, and other health care services. Information for much of this article was obtained through personal and telephone interviews with various officials in the industry.

General Characteristics and Structure

In 1982 there were approximately 7,500 jobs in the 40 acute and long term care facilities across the state. This figure includes the PHS-ANS (Public Health Service-Alaska Native Health), military, state and local government and private facilities. The 28 hospitals provide care for residents living at the most northern to the most southern borders of the state, from the PHS-ANS hospital in Barrow to Ketchikan General. The state is the largest provider of long-term care in Alaska. The state owns and operates 5 pioneer homes for Alaska's elderly and 2 mental health facilities. The remainder of the facilities are privately owned and operated.

Anchorage serves as a medical center for the state, hence, it has a proportionately higher number of health care facilities and jobs. Approximately 50% of total employment in hospitals and long term care in the state is based in Anchorage. Sitka, however, is the health care capital of Alaska. Over 12% of all jobs in Sitka are based in the acute or long term care facilities compared to 4% statewide. Sitka is also the home of Alaska's first hospital, built while Alaska was still under Russian rule.

Employment in hospitals and long term care facilities has grown exceptionally fast over the decade and is expected to continue. From 1970 to the end of 1982 employment in health care expanded nearly 190% in Alaska compared to 130% for total statewide employment. Growing population, demographic changes, rising incomes and greater health consciousness have boosted health care employment.

Major Job Opportunities

Job opportunities in health care are determined by the supply of and demand for people with particular skills. Supply and demand in Alaska's health industry is influenced by population changes and migration patterns, locally available training, turnover, pay levels, and working conditions.

Demand for health care jobs in Alaska is strong at present and it will continue to be strong in the future. Population is growing, insurance coverage is becoming more widespread, and the number of older people is increasing. Many long term and acute care facilities are making major expansions in response to this growing demand. Growth of this industry in Alaska is part of a nationwide trend. One of the nation's weekly news magazines recently stated that the ". . .business of health care. . ." is ". . .growing faster than computers. . .."

The supply side in Alaska is determined by locally available training programs and in-migration of people with skills needed in this industry. Local training is available in some fields which provides the necessary trained labor force, but for many occupations in this industry, the necessary education must be acquired outside. Many people in Alaska have come from other locations and brought their skills with them. Many Alaskans leave the state temporarily to acquire these specific skills and then return.

There are shortages of skilled personnel for some health occupations in this industry while other occupations have a balanced or slight oversupply. Alaska's experience mirrors the nation's in many ways. When there is a national shortage in a particular field then the shortage is greater in Alaska, and when there is an oversupply nationally it is less true in Alaska. Either works in favor of the Alaska jobseeker.

Even if little growth were to occur, turnover creates opportunities. The industry lends itself to high turnover in many occupations because of the type of work performed and the odd hours many of these people are required to work. This is compounded in Fairbanks and Anchorage by the military rotation system as many of the employees in this industry are spouses of the uniformed military.

Given expansion of the industry and turnover, good job opportunities exist in many of the health fields in Alaska. Generally speaking, opportunities in Alaska's rural areas are better than in the urban centers. If a person wishes to specialize it is more difficult in rural areas because the facilities are smaller. The job opportunities for all occupations represented in this industry are different. These differences will be discussed below. Opportunities for physicians will not be discussed in this article since few are directly employed in long term and acute care facilities. Opportunities for physicians will be discussed in Part II.

Nurses

Nursing staffs of hospitals or long term facilities are the foot soldiers and life blood of this industry. Twenty-five percent of the staff in Alaska's hospitals are nurses. During the past decade the biggest employment gain in the professional worker category has been for the registered nurse.

There are a variety of positions in a nursing staff, including nurse's aides, licensed practical nurses and registered nurses. Their duties vary in scope and educational preparation.

Nurse's Aide: Nurse's aides are also referred to as psychiatric aides and client development technicians, depending on the type of facility they work in. No formal training beyond a high school degree is required (and a high school degree is not always required). The aides perform a variety of duties, including making beds, bathing patients, cleaning rooms, taking temperatures, helping patients adjust to social situations and restraining patients. A nurse's aide must like working with people.

Job opportunities as nurse's aides are very good. A person wishing to pursue this line of work in Alaska's urban areas should have little problem finding work. In smaller communities, where hospitals exist, this may be somewhat more difficult due to the limited number of openings, but opportunities do exist. Turnover is high because of the hours, generally low pay and the nature of the work. For a person interested in a nurse's career working as a nurse's aide as a first step would prove to be an invaluable experience.

Licensed Practical Nurse: All the long term and acute facilities employ Licensed Practical Nurses. One year of formal training is required in addition to passing an exam given by the State Board of Nurses. Under the direction of doctors and registered nurses, LPNs provide a variety of care to patients.

It is generally felt that there is presently an oversupply of LPNs, and this is not expected to change. Some facilities are phasing out the use of LPNs because they are limited in their scope of work. Many smaller hospitals are phasing LPNs out because they have a very small staff of nurses during off hours (sometimes one) and in many cases an LPN cannot provide all the services necessary. Some of the larger hospitals are moving towards more professional staff because of the increasing sophistication and specialization in health care. With some exceptions, LPNs are more widely used in nursing homes and similar settings.

Since only one additional year of education is required to become a registered nurse, a person desiring to pursue a nursing career would be better off getting the additional education. Job opportunities and the career path would vastly improve.

Registered Nurse: RNs employed in long term health facilities include those with 2 year, 3 year, baccalaureate, masters and doctorate degrees. RNs administer a myriad of health care functions and often supervise LPNs. nurse's aides and orderlies.

In Alaska the overall employment picture for RNs is competitive but at the same time good. A steady supply of RNs is found in the urban areas. A person may not find work immediately, but because of turnover and growth, opportunities are generally good.

In most of the smaller communities with long term or acute care facilities RNs are in short supply. These facilities have great difficulty attracting enough qualified RNs. The smaller facilities are generally looking for someone with good all-around experience. They do not have the luxury of hiring RNs who specialize in one particular area but prefer nurses with prenatal to critical care experience. In the larger facilities specialization is often the rule and shortages of RNs in geriatrics, intensive prenatal and critical care are not unusual. Though experience is important, newly graduated nurses need not panic. According to the University of Alaska's School of Nursing, 98% of their graduates find work within 3 months of graudation.

Therapists

The two major groups of therapists found in hospitals and long term care facilities are physical and respiratory therapists.

Physical Therapist: A physical therapist works to help restore and improve physical mobility of patients. In our interviews, we found that physical therapist was one occupation where demand far outweighed supply. A number of facilities cannot find a therapist to hire so most contract out for these services. The shortage is apparently nationwide and is expected to continue into the near future. If a person is interested in this type of work, job opportunities abound.

If one does not want to commit themself to a 4-year educational program to become a physical therapist, there are positions for physical therapist technicians who admininster care under the supervision of a qualified therapist.

Respiratory Therapist: Respiratory therapists in a hospital setting often work in emergency situations where breathing stops or respiratory problems occur. They also provide therapy to patients with long term respiratory problems. Job opportunities for respiratory therapists are not as plentiful as for their colleagues on the physical side. Alaska does not employ a large number of respiratory therapists, so the number of openings which occur is limited. This is, however, generally an area with opportunities. The demand is not steady but comes in spurts.

Medical Technologist

Medical technologists perform a variety of laboratory tests in hospitals and supervise other laboratory staff. It is a growing occupation and employment opportunities do exist, particularly in the large hospitals. Medical technologists require four years of formal education.

Dietician/Nutritionist

Dieticians working in health care facilities ensure that patients receive the correct nutrition to maintain or improve their health. Many of the smaller facilities employ only a part-time dietician while the larger ones may have one of two. The total number of jobs in this area is few, which means openings are generally rare. There is not a great deal of turnover, but openings may occur because of growth. A person with patience, and a heart set on being a dietician may eventually secure a position in this field in the larger urban centers.

Pharmacist

The pharmacist perpares and dispenses drugs and medicine prescribed by doctors. There is no real shortage of pharmacists in Alaska, which is probably because there are many areas in the rest of the nation with an oversupply. In Alaska, it appears that there is a more balanced situation with some shortages in smaller communities and some demand for relief pharmacists.

Technician

There is a wide variety of technicians who work in hospitals. A partial list includes medical labs, radiologic, surgical, EKG, emergency medical, and biological technicians. With the exception of the medical technicians there are very few jobs in these fields. Hospitals in Alaska have little problem finding the necessary technicians as a slight oversupply exists. This is particularly true where no formal education is required because it creates a large supply of applicants. In other cases two years or less of formal education is required to become a technician. Due to turnover and growth opportunities will occur in these fields but most likely it will be a matter of being in the right place at the right time to land one of these jobs.

Medical Records Technician

A medical records technician or clerk maintains the medical records of patients, compiles statistics, and transcribes and codes medical information. Many of the facilities in Alaska do not have certified medical record technicians, but instead train their employees on-the-job. A person who has gone through a two year medical records technician program would find good opportunities in Alaska. In larger facilities, good opportunities for advancement are found.

Major Education and Training Opportunities

Education and training needs vary from occupation to occupation, but most health care jobs require formal education ranging from several months to a decade. Many jobs require a degree or certificate from an accredited school. In Alaska, education and training opportunities are provided through the University of Alaska system including the campuses in Fairbanks and Anchorage, its 11 community colleges throughout Alaska, correspondence courses and Rural Education Centers. Although education opportunities may not be available in your local area or in state, credits completed through local programs may be transferred to other Alaskan schools or to outside colleges and universities which provide the appropriate education and training.

Qualified Alaskan residents may take advantage of various financial aid schemes and other assistance programs. The WICHE Exchange Program (Western Interstate Commission for Higher Education) helps Alaska residents obtain access to professional education not available in the state. Participants pay a reduced out of state tuition. The state reimburses the participating institution where the WICHE student enrolls for the non-resident portion of the tuition plus a portion of the institution's operating cost. The student does not receive any direct payment. For more information contact the Alaska Commission on Postsecondary Education, Pouch FP, Juneau, Alaska 99511.

The WAMI Program (Washington, Alaska, Montana, and Idaho) provides the residents of these states the opportunity to attend medical school at the University of Washington. This program will be discussed in more detail in part II of this series when job opportunities for physicians will be reviewed.

Traineeships

The Alaska Native Health Care Program through the University of Alaska Rural Education Centers provides short-term traineeship programs for minority high school and college students pursuing a career in medicine. For more information contact the Office of Personnel Management with the federal government or local Public Health Service Facility.

COSTEP (Commissioned Officer Training and Exchange Program) provides the qualified college nurse and physician student subsidized education in exchange for service with the Corps of Public Health Service as commissioned officers. For more information contact the Office of Personnel Management with the federal government or local Public Health Service Facility

The military also provides some training opportunities for various technical fields. Nurses, doctors and other professionals must have credentials before enlistment. For more information contact your local armed forces recruiter.

Nurses

Because nurses duties vary in scope, educational requirements also vary. Minimal education and training are required for nurse aides while a minimum of an associate degree is required for RNs.

Nurses Aide: Classes which may prepare a person to be a nurse's aide are available at Anchorage Community College but no formal education is available. The nurse's aide experience is valuable as a first step in a nurse's career.

Licensed Practical Nurses: The Licensed Practical Nurse candidate may obtain training at Anchorage Community College (ACC) and on a rotating basis between Juneau, Ketchikan, Sitka and Kuskokwim Community Colleges. Prerequisite courses are available through the community colleges, correspondence courses and Rural Education Centers. The training involves 3 semesters. Two semesters at the community college closest to your home and one semester at ACC.

Registered Nurse: There are various levels of training for the RN student. The associate, baccalaureate, masters and doctorate degree levels. All except the doctorate degree are available in state. The associate degree program is available at 4 of the 11 community colleges. Summer course work and internship are required at the ACC campus. The diploma program requires 24 to 30 months, but may require three academic years to complete the course of study. After receiving a diploma the graduate is prepared to successfully complete the state licensing exam to practice as a

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 8/83	r/ 7/83	8/82	p/ 8/83	r/ 7/83	8/82	p/ 8/83	r/ 7/83	8/82
Mining	$23.90	$23.91	$21.81	51.5	51.9	54.5	$1230.85	$1240.93	$1188.65
Contract Construction 3/	24.14	24.08	23.98	45.6	44.6	44.8	1100.78	1073.97	1074.30
Manufacturing	10.42	10.38	9.92	41.9	38.9	49.6	436.60	403.78	492.03
Food and Kindred Products	8.20	8.27	8.36	42.6	39.2	53.2	349.32	324.18	444.75
Lumber and Paper Prod.	16.60	17.39	15.09	38.7	34.3	39.5	642.42	596.48	596.06
Trans. Comm. and Util.	17.74	16.53	14.96	34.5	39.4	40.2	612.03	651.28	601.39
Trade	10.34	10.36	9.90	35.0	35.7	35.7	361.90	369.85	353.43
Wholesale Trade	11.89	11.85	11.81	38.8	38.9	40.1	461.33	460.97	473.58
Retail Trade	9.66	9.75	9.04	33.6	34.6	34.0	324.58	337.35	307.36
Finance-Ins. and R. Estate	—	—	—	—	—	—	340.15	333.67	361.72

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

2/ Excludes eating and drinking establishments.

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

registered nurse. Statewide accessibility of this program is good. Community college campuses may not offer the complete program but do offer many general education requirements. Other nursing electives are offered via audio or teleconferencing.

The baccalaureate nurse requires 4 years of college. Programs in Alaska have been available since 1968 through a cooperating agreement between the University of Alaska at Anchorage and the Alaska Methodist University. In 1976 the University of Alaska became the sole provider of the degree. The Baccalaureate Degree program requires four academic years to complete the generic course of study. Applicants must meet the entrance requirements of the university as well as those of the nursing program. On average 90 openings occur each year at UAA School of Nursing. Competition is keen for openings. Prerequisites for the general education portion may be taken through the nearest community college, correspondence courses, or the University of Alaska at Fairbanks. The Fairbanks campus also provides assistance for students interested in attending an out-of-state school through the WICHE program. The UA Anchorage campus also provides a masters program. Nurses in this program have the opportunity to specialize and gain additional leadership skills. The WICHE program also offers assistance for those students wishing to attend a masters or doctorate degree program at an out-of-state school.

Summary of Nursing Programs by School

	RNs			LPN	Nurse's Aide
	Masters	Baccalaureate	Associate		
U of A	•	•			
ACC			•	•	•
Fairbanks			•		
Juneau				•	
Ketchikan				•	
Sitka			•	•	
Kodiak			•		
Kuskokwim				•	

Therapist

Educational opportunities for physical and respiratory therapists and therapist assistants are limited. There are also no in state educational programs available for students interested in occupational or physical therapist assistant. Prerequisite courses may be taken in local schools and transferred to out-of-state programs. Many therapist assistants receive on-the-job training.

The University of Alaska in Fairbanks offers the most complete program in the state for students interested in a four-year physical therapist program. The Fairbanks campus offers a 2-year bachelor's degree program. The state has an agreement with the University of Washington, which allows Alaskan students to compete for several class positions preferentially available to them. Many prerequisite courses may be taken at local community colleges and transferred to out-of-state schools through the WICHE program. Currently there are no respiratory therapist programs available in state, however, qualified students may take advantage of several assistance programs including the WICHE program.

Medical Technologist and Laboratory Technician

Anchorage Community College provides a two-year program for individuals interested in medical laboratory work. A certificate is given upon completion and the graduate is eligible to take the National Registry Exam.

The University of Alaska at Fairbanks provides a 4 year program for medical technologist. The participant attends the last year at the University of Washington.

Other Educational Opportunities

A Medical Assistant program is available through Anchorage Community College. This two year program teaches skills including both secretarial and clinical tasks.

Other opportunities are primarily limited to out-of-state programs, although some of the prerequisite courses may be taken at Alaskan schools. Financial aid and other assistance programs are available to give Alaskan residents opportunities to obtain the education they want.

For anyone interested in more information, feel free to contact Alaska Department of Labor, 3301 Eagle Street, Anchorage, Alaska 99501, telephone (907) 264-2400. We recommend a publication by the Bureau of Labor Statistics titled *Occupational Outlook Handbook* and the career information system AKCIS (Alaska Career Information Service) available at local school districts, community colleges, the University of Alaska and Job Service.

ALASKA

By Ed Eboch

Preliminary data for October 1983 indicates a 2.9% decline in nonagricultural employment from September 1983. The decline in employment during the past month was broad based. Employment declined in all sectors of the economy with the exception of state and local government, up 5%, and slight increases in some sectors of trade although overall employment in trade declined. The corresponding unemployment rate is 8.4% up from the 7.6% September rate.

The October to September decline in employment of this year contrasts to an overall increase in employment over the past year. Both a lower unemployment rate and an increase in overall employment is characteristic of the change from October 1982.

The change in employment the past month is normal for this time of year due to the seasonal nature of many Alaskan industries and the beginning of the school year.

Education

The increase in state and local employment is largely a result of the increase in state and local education employment. The beginning of the school year for the University of Alaska and other state postsecondary programs has resulted in the expected increase in employment at this time. This increase more than offset slight declines in noneducational state employment.

The growth in education employment at the local level was a result of more than just the usual increases anticipated at this time of year. The beginning of the school year has already resulted in a marked increase over year-end school enrollment from the 1982/83 school year. According to Al Hazelton, Supervisor of Research and Evaluation for the Department of Education, this is likely to be the first year that enrollment will exceed 100,000 in the primary and secondary schools in Alaska. A 5% increase in enrollment is forecasted for the 1983/84 school year.

The Mat-Su School District has been hardest hit by the unexpected large increase in enrollments. The Mat-Su School District has grown from 5,100 students at the end of the 1981/82 school year to 6,800 at the beginning of this year. The 13% growth this year on top of the 17% growth last year has put a strain on the Mat-Su school system. The result of this growth is a shortage of classroom space and teachers in the Mat-Su district.

Other school districts that have experienced large increases in attendance

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	*R/*		CHANGES FROM:	
	10/83	**9/83**	**10/82**	**9/83**	**10/82**
Nonag. Wage & Salary	217100	223600	205700	-6500	11400
Mining.....................	8000	8500	8000	-500	0
Construction................	22100	23600	20600	-1500	1500
Manufacturing..............	11600	14800	11800	-3200	-200
Food & Kindred Prod.........	5600	8500	5800	-2900	-200
Lumber & Paper Prod.	2900	3100	3100	-200	-200
All Other Mfg.	3100	3200	2900	-100	200
Trans. Comm. & Util.........	18600	19700	18700	-1100	-100
Trucking & Whseing.	2200	2400	2600	-200	-400
Water Transportation	1500	1600	1400	-100	100
Air Transportation	5600	5700	5600	-100	0
Other Trans. Comm. & Utilities	9300	10000	9100	-700	200
Trade	43000	43300	39100	-300	3900
Wholesale	8300	8300	7400	0	900
Retail	34700	35000	31700	-300	3000
Gen. Merchandise & Apparel	5500	5300	4700	200	800
Food Stores	5900	5900	5100	0	800
Eating & Drinking Places	11900	12500	11300	-600	600
Other Retail Trade	11400	11300	10600	100	800
Fin.-Ins. & R. Estate	10900	11000	9900	-100	1000
Services & Misc.	39200	41100	36100	-1900	3100
Government	63700	61600	61500	2100	2200
Federal	17400	17500	17600	-100	-200
State	19900	18400	18900	1500	1000
Local	26400	25700	25000	700	1400

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools and personnel employed by the University of Alaska.

Benchmark date March 1982.

P/ Denotes preliminary estimates.
R/ Denotes revised estimates.

include Anchorage, up over 18%, Fairbanks (5%) and Kenai (7%). Unlike the Mat-Su District, these school districts were in a better position to accommodate the increased student enrollment. Juneau's school population has remained fairly stable.

To a large extent the dramatic increases in school enrollment the past few years have been a result of the increased in-migration patterns of these years. With the less robust Alaska economic picture and the improving economy in the lower 48, increases of this magnitude in school enrollments are not anticipated in the upcoming years.

Seasonal Changes

Declines in employment related to other sectors of the economy are typical for this time of year. Seafood processing declined as the peak fishing season ended. The decline was perhaps greater than usual due to what is happening in the shellfish industry. Unfortunately this situation is not likely to change in the near future because of the devastation of crab and shrimp stock. The increased development of the bottomfish industry should help offset the loss of jobs due to the reduced shellfish harvest.

While the drop in construction labor is usual for this time of year, signs are increasing that over-building has occurred in the urban areas of Alaska. With the deferment of major state projects and decline in state support of local construction, it is anticipated that future construction employment decline will be greater than the usual seasonal changes.

With the coming of winter we are seeing declining employment in those service areas typically supported by tourism. Employment is off in restaurants, tour bus services, and gift shops. Overall, however, the trade and service sectors remain two of the strongest in the economy.

The increase in employment from one year ago suggests Alaska's economic growth continues to be strong. The increase in employment from October 1982 was led by state and local government, trade, and construction. With the changing picture of state revenues we cannot expect to have the growth in statewide employment continue to be led by growth in state expenditures. The improving world wide economic outlook should improve the employment prospects for Alaska seafood, lumber, mining and their support industries. Future changes in government employment will most likely be slow, related to structural changes in the Alaska economy rather than dramatic changes in state revenue.

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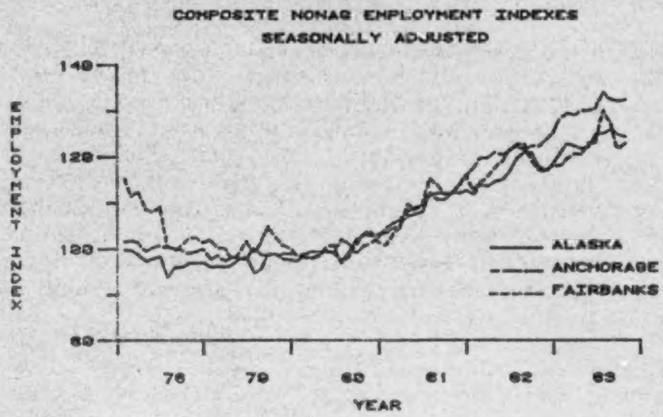
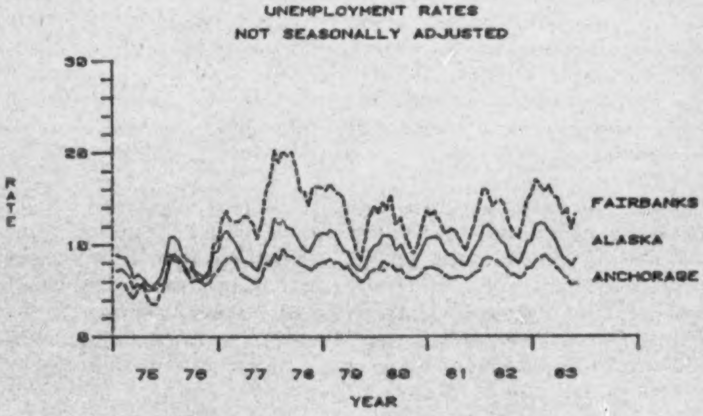


COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED



UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED

ANCHORAGE-MATSU

By Greg Huff

Matsu Employment 1980-1983

Nonagricultural employment in the Matanuska-Susitna Borough has increased over 50% from 1st quarter 1980 through the 3rd quarter of 1983. This increase makes it the fastest growing area in the state. The area's population boom and millions of public construction dollars has helped spark this growth.

Construction activity, the most visible sign of the expanding economy has resulted in nearly a four fold increase in Matsu construction employment. The growth rate in Matsu's construction employment has outpaced the growth rates of all other industries combined. Construction accounted for one-third of all new jobs created from 1980 to 1983.

Growth in population has induced a surge of residential construction in the borough, particularly in the Palmer and Wasilla areas. Stimulation of this residential building activity stems from the limited amount of land available for residential use in Anchorage and the high concentration of potential home buyers. The valley has available space and residential property costs 10-20% less than residential property in Anchorage. This cost differential is very attractive to many Anchorage workers even considering the driving distance to work. (Census data reveals that a third of all valley residents commute to and from Anchorage.) Adding impetus to the construction activity has been the myriad of projects sponsored through state appropriations and other public monies. Millions of dollars have gone into schools, fire houses and other public facilities and road improvements.

The Mining and Manufacturing industries were the only sectors which experienced some ups and downs in employment over the period. Mining employment grew initially and later fell with the reopening and closing of Independence Mine near Palmer. During the construction and exploration phase of the mine, 100 workers were at the site. Inadequate concentration of gold ore at current gold prices sharply curtailed the operation. Manufacturing employment grew and fell due to fluctuation in the demand for prefabricated buildings.

The population explosion has also given rise to employment growth in government and industries providing a variety of goods and services. Government employment has increased 28% since 1980. A large amount of this growth is a result of an increase in school population creating a need for teachers and support staff. With the borough's growth government's share of the total number of jobs declined from 41% in 1980 to 34% in 1983.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	*R*		*P*	*R*		*P*	*R*		*P*	*R*	
	10/83	9/83	10/82	10/83	9/83	10/82	10/83	9/83	10/82	10/83	9/83	10/82
Alaska Statewide	215716	221088	210603	18023	16903	18884	8.4	7.6	9.0	197693	204185	191719
Anchorage-Matsu Region	112540	113965	109456	7230	7037	7860	6.4	6.2	7.2	105310	106928	101596
Anchorage	101424	102794	98741	5873	5775	6560	5.8	5.6	6.6	95551	97019	92181
Matanuska-Susitna	11116	11171	10715	1357	1262	1300	12.2	11.3	12.1	9759	9909	9415
Gulf Coast Region	23334	24404	22945	2622	2406	3044	11.2	9.9	13.3	20712	21998	19901
Cordova	1221	1257	1175	112	79	110	9.2	6.3	9.4	1109	1178	1065
Kenai	12062	12700	11936	1509	1492	1796	12.5	11.7	15.0	10553	11208	10140
Kodiak	5203	5416	5087	474	393	543	9.1	7.3	10.7	4729	5023	4544
Seward	1688	1754	1737	211	185	318	12.5	10.5	18.3	1477	1569	1419
Valdez	3160	3277	3010	316	257	277	10.0	7.8	9.2	2844	3020	2733
Interior Region	28870	28957	28060	3722	3255	3423	12.9	11.2	12.2	25148	25702	24637
Fairbanks	23644	23718	22961	3146	2769	2880	13.3	11.7	12.5	20498	20949	20081
Southeast Fairbanks	2306	2299	2208	250	198	194	10.8	8.6	8.8	2056	2101	2014
Upper Yukon	709	728	671	96	101	70	13.5	13.9	10.4	613	627	601
Yukon-Koyukuk	2211	2212	2220	230	187	279	10.4	8.5	12.6	1981	2025	1941
Northern Region	10761	11359	9918	733	764	727	6.8	6.7	7.3	10028	10595	9191
Barrow-North Slope	2900	3060	2690	195	202	211	6.7	6.6	7.8	2705	2858	2479
Kobuk	3377	3537	3113	265	249	261	7.8	7.0	8.4	3112	3288	2852
Nome	4484	4762	4115	273	313	255	6.1	6.6	6.2	4211	4449	3860
Southeast Region	29374	31316	30259	2869	2696	3027	9.8	8.6	10.0	26505	28620	27232
Angoon	389	423	423	38	44	63	9.8	10.4	14.9	351	379	360
Haines	993	1057	1038	99	91	119	10.0	8.6	11.5	894	966	919
Juneau	10507	11298	10811	885	908	925	8.4	8.0	8.6	9622	10390	9886
Ketchikan	6139	6539	6348	563	519	620	9.2	7.9	9.8	5576	6020	5728
Outer Ketchikan	774	801	865	117	92	190	15.1	11.5	22.0	657	709	675
Prince of Wales	1405	1536	1423	179	212	163	12.7	13.8	11.5	1226	1324	1260
Sitka	4286	4563	4426	399	366	432	9.3	8.0	9.8	3887	4197	3994
Skagway	1600	1615	1492	304	215	160	19.0	13.3	10.7	1296	1400	1332
Wrangell-Petersburg	3281	3484	3433	285	249	355	8.7	7.1	10.3	2996	3235	3078
Southwest Region	10837	11087	9965	847	745	803	7.8	6.7	8.1	9990	10342	9162
Aleutian Islands	2873	2954	2608	156	142	117	5.4	4.8	4.5	2717	2812	2491
Bethel	3492	3576	3240	314	286	325	9.0	8.0	10.0	3178	3290	2915
Bristol Bay Borough	393	393	361	34	22	32	8.7	5.6	8.9	359	371	329
Bristol Bay	1436	1456	1331	94	67	101	6.5	4.6	7.6	1342	1389	1230
Kuskokwim	970	979	860	104	82	65	10.7	8.4	7.6	866	897	795
Wade Hampton	1673	1729	1565	145	146	163	8.7	8.4	10.4	1528	1583	1402

P =Preliminary   1982 Benchmark

R =Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R/		CHANGES FROM:	
	10/83	9/83	10/82	9/83	10/82
Nonag. Wage & Salary	108050	109400	99950	-1350	8100
Mining	3250	3300	3150	-50	100
Construction	10950	11550	9700	-600	1250
Manufacturing	2650	2700	2250	-50	400
Food & Kindred Prod.	400	400	400	0	0
Other Mfg.	2250	2300	1850	-50	400
Trans. Comm. & Util.	9100	9350	8650	-250	450
Trucking & Whseing	1250	1250	1400	0	-150
Water Transportation	450	450	300	0	150
Air Transportation	3600	3650	3450	-50	150
Other Trans. Comm. & Utilities	3800	4000	3500	-200	300
Trade	25900	25850	23850	50	2050
Wholesale	6150	6100	5600	50	550
Retail	19750	19750	18250	0	1500
Gen. Merchandise	1800	1750	1700	50	100
Food Stores	2600	2600	2400	0	200
Eating & Drinking Places	7450	7550	6950	-100	500
Other Retail Trade	7900	7850	7200	50	700
Fin.-Ins. & R. Estate	7100	7100	6550	0	550
Services & Misc.	24000	24550	21300	-550	2700
Government	25100	25000	24500	100	600
Federal	10100	10200	9850	-100	250
State	6600	6150	6500	450	100
Local	8400	8650	8150	-250	250

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/	R/		CHANGES FROM:	
	10/83	9/83	10/82	9/83	10/82
Nonag. Wage & Salary	114200	115700	105600	-1500	8600
Mining	3300	3400	3250	-100	50
Construction	11900	12500	10750	-600	1150
Manufacturing	2900	3050	2500	-150	400
Trans.-Comm. & Util.	9700	9950	9100	-250	600
Trade	27050	27000	24900	50	2150
Fin.-Ins. & R. Estate	7350	7350	6700	0	650
Services & Misc.	25100	25900	22350	-800	2750
Government	26900	26550	26050	350	850

Employment in private enterprises supplying services ranging from medical care to a host of personal and business services, wholesale and retail goods, electricity and telephone services has increased an average of 50% since 1980.

With the rapid growth of the population in the Matanuska-Susitna Borough we can expect future growth in the area of government employment and private service employment as the service areas catch up to gains in population.

Matsu Nonagricultural Employment
1980-1983

	1980 1/	1980	Annual Average 1981	1982	1983 1/	Percent Change 1980-1983 2
Total Employment	3,224	3,266	3,663	4,354	5,045	56
Mining	36	34	99	100	50	39
Construction	178	178	253	517	734	312
Manufacturing	*	50	105	70	65	*
Trans. Comm. & Utilities	314	320	344	381	515	64
Trade	725	731	750	898	1,040	43
Fin. Ins. & Real Estate	117	120	131	188	210	79
Services/Misc.	*	498	566	639	730	47
Government	1,325	1,340	1,415	1,561	1,700	28

1/ 3 quarter average. Last 2 quarters of 1983 estimated.
2/ Based on average employment of first 3 quarters of 1980 versus the first 3 quarters of 1983.

FAIRBANKS/INTERIOR

By Neal Fried

Yukon-Koyukuk 1980-1983

Wage and salary statistics are reported in this publication on a monthly basis for the Interior and Fairbanks, but not for smaller geographic areas within the Interior. Fairbanks' figures mask the remainder of the Interior making it difficult to determine trends which may be occurring elsewhere. Periodically, statistics do become available which make an employment analysis of sub-areas possible. This month wage and salary employment figures for the Yukon-Koyukuk will be covered (see table page 19).

The Yukon-Koyukuk division covers a large geographic area which includes more than a dozen communities. The area includes all of the communities along the Parks Highway north of Cantwell, the Dalton Highway to the North Slope Borough's boundary, and all of the communities west of the highway to Kaltag on the Yukon River, and south to McGrath. A sample of the communities included in this area are Minto, Nulato, McKinley Park, Nenana, Livengood, Allakaket, Tanana, Huslia, Kaltag, and McGrath.

Employment

Yukon-Koyukuk's wage and salary employment grew 6% from 1980 to 1982. This is far below the state's growth rate of 17%. Why has Yukon-Koyukuk's economy not kept pace with the rest of the state?

Most of the state employment growth was a result of the growth in the state's budget of recent years. Yukon-Koyukuk has benefited through increases in state and local government employment, capital projects, dividend payments and, to an extent, subsidized interest loans. Yukon-Koyukuk has not been able to keep up with the state growth rate because of its' undeveloped economic infrastructure. There is little economic infrastructure to capture the dollars spent in the economy, and therefore there is little or no multiplier effect as the dollars leak quickly out of the local economies.

When goods and services are purchased by the residents of these communities they are usually bought in Fairbanks or Anchorage. When capital projects are built, they are often built by outside firms and labor. None of these communities have a population of more then 550, and therefore the establishment of a viable secondary sector to capture these dollars is difficult.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/	*R/*			
	10/83	9/83	10/82	9/83	10/82
Nonag. Wage & Salary	26800	27700	25550	-900	1250
Mining	250	350	300	-100	-50
Construction	2750	3500	2350	-750	400
Manufacturing	550	550	500	0	50
Trans. Comm. & Util.	2900	3050	2800	-150	100
Trucking & Whseing.	450	500	350	-50	100
Air Transportation	600	650	600	-50	0
Other Trans. Comm. & Utilities	1850	1900	1850	-50	0
Trade	5400	5650	5050	-250	350
Wholesale	900	900	900	0	0
Retail	4500	4750	4150	-250	350
Gen. Merchandise & Apparel	400	450	400	-50	0
Food Stores	750	800	700	-50	50
Other Retail Trade	3350	3500	3050	-150	300
Fin.-Ins. & R. Estate	1050	1000	1000	50	50
Services & Misc.	5100	5250	5000	-150	100
Government	8800	8350	8550	450	250
Federal	2450	2450	2400	0	50
State	3950	3500	3850	450	100
Local	2400	2400	2300	0	100

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/	*R/*			
	10/83	9/83	10/82	9/83	10/82
Nonag. Wage & Salary	30850	31550	29200	-700	1650
Mining	400	450	450	-50	-50
Construction	2850	3600	2450	-750	400
Manufacturing	550	600	500	-50	50
Trans. Comm. & Util.	3650	3850	3700	-200	-50
Trade	5950	6200	5350	-250	600
Fin.-Ins. & R. Estate	1100	1100	1050	0	50
Services & Misc.	5500	5750	5300	-250	200
Government	10850	10000	10400	850	450

Yukon-Koyukuk Nonagricultural Employment
1980-1982

	1980	1981	1982
Total Nonag. Employment	1,880	1,884	2,029
Mining	•	•	•
Construction	•	24	42
Manufacturing	•	•	•
Transportation	•	•	707
Trade	•	•	173
Wholesale	•	•	33
Retail	136	130	140
Fin., Ins. & Real Estate	16	21	23
Services	63	111	122
Government	802	740	835
Federal	243	218	216
State	101	90	106
Local	427	432	507

• Nondisclosable.

Despite these leakages, the service and trade sectors did grow during the past 4 years in response to growing incomes and population. Tourism also provided somewhat of a boost to these communities. The number of visitors to Denali National Park increased by more than 60% over the past 4 years. *1/*

Government employment continues to be the mainstay of wage and salary employment. Approximately 41% of salaried employees are employed by government, mostly on the federal and local levels. The federal sector makeup is largely military support and park personnel. The federal sector has actually declined slightly over the years. The local sector has grown in response to additional state funds, a growing school population and overall population growth. The government sector would be larger if the private contract personnel at the remote missile tracking stations were included. This would swell government's share of wage and salary employment to more than 60%.

Mining employment has recently received a boost with the planned shipments of coal from the Usibelli mine to Korea. Gold mining activity has also been on the upswing for the past three years. Most of these individuals are not captured in our figures because they are not paid in wages and salaries. Our statistics also fail to measure the subsistence economy which is important in many of these communities.

In spite of the growth that has occurred in the Yukon-Koyukuk area, full time year-around salary employment is scarce. Household income is

1/ U.S. Department of Interior.

approximately 50% of the state's average and labor force participation in the Yukon-Koyukuk is among the lowest in the state. High unemployment persists, and would be even higher if many of this area's residents felt work were available. (A person is considered unemployed only if they are actively seeking work.) Lack of employment opportunities will cause the Yukon-Koyukuk area to continue to lag the state in economic growth.

GULF COAST

By Neal Fried

Kenai-Cook Inlet 1980-1983

Each month wage and salary statistics are published for the Gulf Coast region but not for smaller geographic areas within the region. Periodically employment statistics are published for sub-areas. This month wage and salary statistics for the Kenai-Cook Inlet area will be discussed (see tàble page 23).

The Kenai-Cook Inlet divison is synonymous with the Kenai Peninsula Borough, but excludes Seward, Hope, Moose Pass and Copper Landing. It includes the communities of Kenai, Homer, Soldotna, Seldovia, Tyonek and a number of smaller communites on the peninsula.

Employment

During the past 3 years, the state experienced accelerated growth in employment and a period of general prosperity. The Kenai-Cook Inlet area has shared this experience. The area's wage and salary employment has grown more rapidly than the state during the period 1980-1982, experiencing 22% growth compared to 17% statewide. Nonagricultural payroll in Kenai-Cook Inlet increased from $182 million to $246 million. Employment continued to grow through the first quarter of 1983; the last quarter for which data exists.

Source of Growth

The economy in Kenai-Cook Inlet is one of the most diversified in the state. The basic industries include strong representation in manufacturing (refining and fish processing), fishing, tourism, mining (oil), and government. Through 1982 all industries in the area contributed to this surge in employment. Industries which have contributed the most, with the exception of government, are services, construction, insurance and real estate, and trade.

Most of the expansion in these industries can be attributed to the record state budgets for the past 4 years. This stimulus has come in the forms of larger capital budgets, subsidized housing loans, increases in revenues to local government, tax relief, growth in state employment and dividend payments.

Construction's surge (33% from 1980-1982) has been fueled by state dollars in the form of public construction and subsidized interest rates. In 1981 the number of residential housing units began to grow and each year since the

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	*R/*			
	10/83	9/83	10/82	9/83	10/82
Nonag. Wage & Salary	19000	20250	18300	-1250	700
Mining	750	750	700	0	50
Construction	1950	2050	1850	-100	100
Manufacturing	2650	3550	2650	-900	0
Food & Kindred Prod.	1850	2700	1950	-850	-100
All Other Mfg.	800	850	700	-50	100
Trans. & Comm. Utilities	2100	2200	2300	-100	-200
Trade	2950	3250	2750	-300	200
Wholesale	350	550	350	-200	0
Retail	2600	2700	2400	-100	200
Fin.-Ins. & R. Estate	500	500	500	0	0
Services & Misc.	3100	3350	2800	-250	300
Government	5000	4600	4750	400	250
Federal	500	500	500	0	0
State	1550	1400	1500	150	50
Local	2950	2700	2750	250	200

number has increased. Public construction has included new schools, expansion of the Homer Harbor, the new Sports Arena in Soldotna, road construction, and a myriad of other projects undertaken by the public sector. Private construction also experienced a resurgence as new shopping centers, banks, restaurants and other expansions of businesses occurred.

Services, Finance, Insurance and Real Estate, and Trade have grown by 33%, 29% and 17%, respectively. These industries are typically classified as part of the secondary sector. All of these industries have benefited from the overall growth in the area as well as growth in the tourist traffic from Anchorage and elsewhere in the country.

Government remains the area's largest single employer—employing 20% of the wage and salary employment. This is a much smaller share of total employment compared to the statewide average of 30%. Growth occurred in both state and local government in response to greater state revenues and a growing population.

The Borough's population grew by 15% from 1980 to 1982 which is twice as fast as the state's growth rate. The Borough is perceived by many people as a desirable place to live because of the recreation possibilities it offers, the rustic lifestyle and its scenic setting. This encourages in-migration. It is generally believed that growth in employment opportunities is the major catalyst for population growth, but the Peninsula attracts many people simply because of the lifestyle, which in itself provides stimulus to its secondary industries.

Though growth is the theme of the article, it does not mean employment opportunities abound in the area. The population has grown fast enough to more than absorb the new jobs which have resulted from the expanding economy. The unemployment rate in 1982 was 15.9%, two points higher than it was in 1980. 1983's rates are mirroring 1982's. Fishing, construction and tourism remain very seasonal and therefore take their toll when winter hits the Peninsula. As a result the unemployment rate can fluctuate as much as 10 points during the year.

The growth in employment has provided Kenai-Cook Inlet's residents with new and additional opportunities, but the labor market has remained very competitive in the area, and high unemployment persists.

Correction: In last months article on Kodiak it was stated that building permits stood at 172 in August 1983 and were above year-ago levels. It should instead read building permits stood at 96, which is below 1982's level.

Kenai-Cook Inlet Nonagricultural Employment
1980-1982

	1980	1981	1982
Total Nonag. Employment	7,134	7,960	8,693
Mining	755	781	791
Construction	611	697	814
Manufacturing	1,231	1,420	1,390
Food & Kindred Products	668	836	838
All Other Manufacturing	563	584	552
Trans. Comm. & Utilities	622	843	956
Trade	1,199	1,309	1,398
Wholesale	257	324	296
Retail	942	985	1,102
Fin. Insurance & Real Estate	203	226	262
Services and Misc.	1,033	1,119	1,326
Government	1,480	1,565	1,756
Federal	119	116	122
State	332	378	424
Local	1,029	1,071	1,210

SOUTHEAST ALASKA

By John Boucher

Juneau Employment 1980-1982

During the period before and after the 1982 capital relocation vote, it was generally put forth that the threat of capital relocation had put a constraint on Juneau's economic growth. Conventional wisdom held that with the uncertain future of the city's base industry, business would be hesitant to invest capital in projects that would depend on long term viability of the community. However, two forces in the local economy; the addition of millions of oil revenue dollars to state budgets and a rapidly expanding local population helped to counteract the constraint of the relocation issue.

Given the possibility of relocation, expansion in Juneau was substantial during this period. During 1980-82 statewide total nonagricultural employment grew 17% while Juneau's employment grew 11.9%. Juneau's largest industry, state government employment, grew 12% during this period while state government employment in all of Alaska grew 16.8%. Strong state government employment growth in Juneau might be surprising given the possibility of relocation, but pressure for additional services statewide and increasing revenue to provide them apparently outweighed speculation of higher moving costs that would be incurred in the future.

Increasing state revenue also made its presence felt in construction and local government employment. Juneau construction employment grew 43% during the period, fueled by state projects such as Centennial Hall, Auke Bay Ferry Terminal and senior citizen housing. Private building construction also flourished as state government growth contributed to the need for additional office space and residential housing. Local government employment grew 12.6% during this period, a reflection of the increasing state funds available to the city.

What might be considered more surprising about the period prior to the capital move vote is the rate some private sectors expanded during this uncertain time. Retail Trade employment increased 20%, Finance, Insurance and Real Estate 22.8%, and Services increased 22%. In two out of these three industries growth in Juneau exceeded the statewide percentage growth during this period. Two factors are apparent in these figures; increasing population which broadened the need for secondary industries and a willingness of the private sector to gamble on the outcome of the capital move vote.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	10/83	9/83	10/82	9/83	10/82
Nonag. Wage & Salary	28900	31200	28800	-2300	100
Construction	2000	2250	1850	-250	150
Manufacturing	3900	5150	4500	-1250	-600
Food & Kindred Prod.	1300	2500	1650	-1200	-350
Lumber & Paper Prod.	2350	2450	2600	-100	-250
All Other Mfg.	250	200	250	50	0
Trans. Comm. & Util.	2000	2200	2000	-200	0
Trade	4300	4550	4250	-250	50
Wholesale	350	400	350	-50	0
Retail	3950	4150	3900	-200	50
Fin.-Ins. & R. Estate	1000	1000	950	0	50
Mining, Svcs. & Misc.	4000	4250	3800	-250	200
Government	11700	11800	11450	-100	250
Federal	2400	2500	2300	-100	100
State	5300	5400	5350	-100	-50
Local	4000	3900	3800	100	200

Juneau Nonagricultural Wage and Salary Employment
1980-1982

	1980	1981	1982	% Change 80-81	% Change 81-82
Total Nonag. Employment	10,914	11,518	12,210	5.5	6.0
Mining	*	*	12	—	—
Construction	375	506	539	34.9	6.5
Manufacturing	*	*	151	—	—
Transportation	956	1,037	916	8.5	-1.7
Trade	1,555	1,699	1,867	9.3	9.9
Wholesale	149	167	170	12.1	1.9
Retail	1,406	1,532	1,697	9.0	10.8
Fin.-Ins. & Real Estate	429	517	527	20.5	1.9
Services	1,393	1,370	1,699	-1.7	24.0
Government	6,055	6,181	6,433	2.1	4.1
Federal	1,187	1,011	973	-14.8	-3.8
State	3,888	4,105	4,358	5.6	6.2
Local	978	1,065	1,102	8.9	3.5

All totals are annual averages.

* Indicates nondisclosable number.

HOURS AND EARNINGS

By Kathryn Lizik

With the winding down of salmon processing extending into September, peak run processing crews have been reduced, pulling hours worked per week down 36% from August for food and kindred products. At the same time the remaining higher paid senior crews have pushed average hourly wages up 16% but this was not enough to hold average weekly earnings steady which dropped 44% from $339.83 to $252.46, between August and September.

The activity in food and kindred products was largely responsible for pushing the average hourly earnings of the Manufacturing industry up 32% over August with a reciprocal reduction in average weekly hours of 21%.

Other Industries' hours and earnings remained reasonably steady in September with increases in average hourly earnings ranging from less than 1% for Construction to 6% in Transportation, Communications, and Public Utilities. Offsetting drops in average weekly hours also occurred across the board except for Construction which experienced a 1% rise.

JANUARY 1984

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ALASKA ECONOMIC TRENDS

Alaska Department of Labor   Bill Sheffield, Governor, State of Alaska

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
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JOB SERVICE

January 1984
Volume 4
Issue 1

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

***P/* Denotes preliminary estimates.**

***R/* Denotes revised estimates.**

JUNEAU 1972 to 1982: GROWTH AMID UNCERTAINTY

By John Boucher

When Alaska's voters defeated the state capital move initiative in November 1982, Alaska's capital city ended one era and began another. The last ten years have been tumultuous times for Juneau, marked by counterbalancing forces effecting the local economy. The realization of billions of dollars in state oil revenue and increasing population had a positive effect on Juneau employment while the 1974 capital relocation vote tended to inhibit employment growth.

Juneau employment increased 58.6% from 1972 to 1982. The largest gains coming in state and local government (1,926 jobs), services (1,008 jobs), and retail trade (790 jobs). Impressive gains were also made in the manufacturing and finance, insurance and real estate industries. Construction and federal government employment were the slowest growing sectors of the Juneau economy during the past 10 years. Federal government employment grew 6.6% and construction employment was actually higher in 1972 than in 1982. This decline overstates sluggishness in Juneau construction because in 1972 the State Office Building, Egan Drive and several other large projects were under construction.

Construction employment was the industry hardest hit by the 1974 capital relocation vote. The threat of losing the city's base industry brought disincentive for private investment in any project dependent on long term viability of the community. Construction employment figures bear this out. From 1974 to 1975, immediately after the vote to move, the annual average number of jobs available in construction dropped by 110. Despite increasing population, Juneau construction stayed close to its 1975 level until 1981. In 1981 construction employment increased by 131 jobs, the highest level since 1973. The upturn was fueled by a dramatic increase in state oil revenues which made millions of dollars available for capital projects. Increasing construction employment was not solely the result of public construction projects. The private sector made a significant contribution to the surge of 1981. Building permits for residential housing units jumped from 308 in 1980 to 491 in 1981. Other projects such as new office buildings increased the number of construction jobs in Juneau.

Growth of residential construction could be explained by the emergence of subsidized housing loans through Alaska Housing Finance Corporation and state and federal subsidized energy programs. Long term leases to the state and guaranteed buyout of state employee houses if the capital move budget was approved limited the risk of some construction investments. Some major private commercial construction either ignored the risk the capital move represented or speculated that it would be resolved in Juneau's favor.

The effect the capital move initiative had on employment in other industries is more difficult to quantify. By comparing statewide industry growth to growth in Juneau during the same period one can get an idea of what development in Juneau might have been without any constraint. For some industries this is a more valid comparison than others. Mining, for example, would not be comparable because of thousands of new oil and gas jobs on the North Slope.

From 1972 to 1982, Juneau lagged behind statewide employment growth in every industry except manufacturing. Transportation, communication, and public utilities is one industry that grew much slower in Juneau than statewide during this period. Part of the growth difference is explained by the Trans-Alaska pipeline since all pipeline related employment has been added to the statewide total since 1972. However, pipeline employment does not account for all or even a majority of the difference. Water transportation actually declined in Juneau from 1972 to 1982 while statewide it increased 70%. Air transportation and trucking and warehousing were also areas where Juneau lagged significantly behind statewide growth. One area of transportation where Juneau performed better than the statewide average growth was communications. This can be attributed to the expansion of telecommunications facilities within the area, a growing cable television network and the addition of a public television station.

Trade, both wholesale and retail, grew much slower in Juneau than it grew in the rest of the state from 1972 to 1982. The building materials and hardware stores sector of retail trade had very little expansion during this period while statewide this sector more than doubled. The slow expansion could be attributed to the lackluster performance of the construction industry during this period. Food stores and miscellaneous retail stores were other areas of high growth statewide that Juneau did not experience. Growth could have been inhibited in these two areas not only by the impending capital move, but by the lack of a large enough population to support specialty merchandise stores that become more feasible endeavors as the population and marketplace expand.

Services, finance, insurance and real estate and government employment growth did not lag as far behind statewide growth as transportation and trade did during this period. Government employment, especially central state government, grew strongly in Juneau because of the rapid expansion of services and programs offered by the state. Finance, insurance and real estate growth was mainly due to two forces. Banking and real estate employment contributed to some of the growth in this industry, but the emergence of Alaska's native corporations contributed the lion's share of employment growth in finance, insurance, and real estate in Juneau. Employment by native corporations in Juneau went from next to nothing in 1972 to more than 150 in 1982. Juneau benefited from the establishment of the local Goldbelt Corporation and was chosen as the headquarters for the regional Sealaska Corporation. Services grew at the statewide pace, led by strong growth in business services, medical services, and legal services.

In summary, 1972 to 1982 were years of strong growth for some industries while others experienced more hesitant growth. With the capital move initiative quelled for the immediate future, industries that were constrained during this period are showing signs of catch-up growth.

Second quarter 1983 data suggest that some industries are reaping the benefit of the resolution of the capital move issue. Construction was the first industry to take off. Second quarter 1983 construction employment was up 47% over 1982, and was the second highest average for a quarter ever. Of the additional jobs available in Juneau in 1983, over half were accounted for by construction. A high level of activity will continue into next year with public projects such as the area wide water system, and a proposed legislative hall taking up the slack that will occur after completion of private projects that are responsible for the current surge in construction.

Retail Trade is another large contributor to new growth in the Juneau economy, accounting for 121 more jobs in second quarter 1983 than second quarter 1982. Growth in the retail sector will continue to be strong in the near term as mall expansions and chain stores add to retail employment. In the past Juneauites apparently spent significantly less of their disposable income in the local area than other Americans or Alaskans as witnessed by the smaller than normal trade sector in Juneau. Whether or not the traditional buying patterns of Juneauites will change, due to the greater competition and variety of goods and services offered by a larger retail sector, will be the determining factor in future retail trade growth.

Finance, insurance and real estate has been one of the fastest growing sectors in the economy during the past 10 years. Growth in this sector will continue at a moderated pace. One bank which now operates a loan production office is planning a full service headquarters to open next summer. Growth will not be as strong as in the 70's since native corporations will not have as strong an impact on this sector as they did after the Alaska Native Land Claims Settlement Act.

Transportation, communications and public utilities and services will continue growing at a steady pace. The communications sector will probably continue to lead the transportation industry but growth will not be as rapid as during the past ten years. Growth in the water transportation and air transportation and public utilities sectors will be largely in response to increasing population. Services should also make significant contributions to employment growth but not at the pace of the last ten years.

Mining and manufacturing are currently very small segments of Juneau's local economy, and will stay that way in the near term. A large mining

ALASKA
HOURS AND EARNINGS FOR SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 9/83	r/ 8/83	9/82	p/ 9/83	r/ 8/83	9/82	p/ 9/83	r/ 8/83	9/82
Mining	$24.22	$23.57	$24.95	51.7	51.9	47.7	$1252.17	$1223.28	$1190.11
Contract Construction 3/	24.30	24.13	23.95	46.0	45.5	44.1	1117.80	1097.92	1056.20
Manufacturing	13.69	10.39	11.74	32.7	41.4	33.2	447.66	430.15	389.77
Food & Kindred Products	9.42	8.13	8.33	26.8	41.8	30.0	252.46	339.83	249.90
Lumber & Paper Products	17.29	16.60	15.62	39.7	39.2	36.2	686.41	650.72	565.44
Trans. Comm. & Util.	16.81	15.84	14.89	37.3	38.5	38.5	627.01	609.84	573.27
Trade	13.13	12.84	9.86	27.2	28.2	35.0	357.14	362.09	345.10
Wholesale Trade	12.25	11.89	11.75	36.4	38.8	37.6	445.90	461.33	441.80
Retail Trade	13.64	13.43	9.06	23.7	24.1	34.0	323.27	323.66	308.04
Finance-Ins. & Real Estate	—	—	—	—	—	—	334.66	356.87	356.09

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.

2/ Excludes eating and drinking establishments.

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

development on Admiralty Island could eventually contribute 300 jobs to the Juneau economy but under the current timetable this would not occur until 1987 or 1988. Manufacturing employment in Juneau was recently dealt a blow when it was announced that the Juneau Cold Storage would close down in January 1984. Fish processing employment at present does not look very promising for the Juneau area. Other manufacturing employment such as printing and publishing, and baking should expand in proportion to growth of other economic activity and the local population.

Government employment is Juneau's largest and now the most stable industry. Federal government employment in the Juneau area is expected to hold steady in the near term. Local government will experience growth as will state government due to the rapidly growing population of both Juneau and Alaska. Growth in state government proportional to population growth is questionable though due to the increasing awareness of the probability of declining state revenues. Expectations of what services the state is able to provide could begin to change, placing less upward pressure on government employment.

In summation, the Juneau economy should experience some strong growth in the short term, much of it taking place in the secondary industries. Construction and government will be the big contributors to employment growth in the basic industries. Beyond the near term however the outlook is clouded. Declining state revenues will probably put the squeeze on state government as well as the massive public construction projects the state is currently funding. Growth beyond the near term would most likely be population driven rather than related to increased state revenue.

Juneau Nonagricultural Wage and Salary Employment
1972 to 1982

	1972	1982	Juneau % Change	Comparable Statewide % Change
Total Nonagricultural	7,697	12,210	58.6	92.8
Mining	8	12	50.0	324.8
Construction	636	589	-18.0	112.6
Manufacturing	52	151	190.4	56.9
Trans., Comm., & Public Util.	592	916	71.4	84.2
Trade	1,016	1,867	83.8	119.5
Wholesale	109	170	56.0	116.8
Retail	907	1,697	87.1	120.5
Fin.-Ins. & R. Estate	207	527	154.6	157.6
Services	691	1,699	145.9	156.2
Government	4,447	6,443	44.7	47.2
Federal	913	973	6.6	2.4
State & Local	3,534	5,460	54.5	77.8

ALASKA: THE YEAR IN REVIEW

By Ed Eboch

Alaska's economy this past year was characterized by superlatives—the largest sealift by the oil companies since 1975, the second largest salmon run in the history of the state, and Mukluk Island, the Beaufort Sea's largest and most expensive man-made island. Continued growth in government, construction activities, record salmon runs, and a continuing trend towards improved availability of consumer goods all contributed to the best "employment" year in the state's history. Not only was the employment level a record, but the rate of increase was also the best since 1974-75.

Construction was by far the strongest sector in the state over the past year followed closely by trade, and finance, insurance and real estate. The recovery of the U.S. economy contributed to the health of the Alaska economy. However, the slow recovery worldwide and the unfavorable exchange rate was a drag on several Alaska industries. This was especially true of the Japanese economy which plays an important role in Alaska's lumber and fishing industries. While the Japanese economy halted its decline in 1983, the recovery was sustained mainly by the recovery in exports. Alaska industries that show employment declines in 1983 include mining, wood products, and federal government employment although the total drop in average number of employees is small.

Mining

Much of the loss in employment in mining was in the oil and gas industry although hard rock mining was also off slightly. Coal employment remained stable but a contract for Usibelli to ship 8 million tons of coal a year to Korea improves the employment outlook in this industry for 1984 and beyond.

Expectations of an increase in demand and a strengthening of prices in oil have not materialized as the U.S. economic recovery has progressed. The ability to conserve and to shift to other energy sources continues to surprise everyone. With the disappointing news about the Mukluk exploratory well and with continued weak oil prices it is unlikely that development of major oil or new coal projects will be undertaken in the immediate future. However, exploration for new oil is expected to continue but it may be at a somewhat slower pace.

To what extent the drop in hard rock mining employment reflects declines in metal prices or competition for employees from other sectors of the economy is uncertain. While precious metal prices have improved slightly from 1982 levels they are still below what is required to make many operations economical. The failure of mineral prices to improve with the

Alaska 1983 Employment Growth
Preliminary Estimates

	1983 1/	1982 1/	Percent Change 2/
Nonagricultural Wage & Salary	211,900	199,900	6.0
Mining	8,300	9,100	-8.8
Construction	19,100	16,900	13.0
Manufacturing	13,400	12,900	3.9
Food & Kindred Products	7,600	7,200	5.6
Lumber & Paper Products	2,700	2,900	•
All Other Mfg.	2,900	2,800	•
Trans., Comm., & Utilities	18,900	18,500	2.2
Trucking & Warehousing	2,300	2,400	•
Water Transportation	1,400	1,300	•
Air Transportation	5,700	5,600	1.8
Other Trans., Comm. & Util	9,500	9,000	5.6
Trade	41,600	37,400	11.2
Wholesale	8,000	7,200	11.1
Retail	33,700	30,200	11.6
Gen. Merchandise & Apparel	5,000	4,400	13.6
Food Stores	5,600	5,000	12.0
Eating & Drinking Places	11,900	10,800	10.2
Other Retail Trade	10,900	10,100	7.9
Finance, Insurance & R. Estate	10,600	9,500	11.6
Services & Miscellaneous	38,800	35,900	8.1
Government	61,400	59,500	3.2
Federal	17,300	17,700	-2.3
State	19,200	17,900	7.3
Local	24,800	23,900	3.8

1/ Average for first 11 months of each year.
2/ The percentage change should be considered as an indication of direction and magnitude of change only.

• Rounding make percentages for smaller sectors less reliable as indicators.

improvement of the U.S. and world economic recovery has raised questions about the schedule of several major Alaska mining projects.

Construction

Construction has had its greatest impact on the Alaskan economy since the pipeline years. While state and federal supported projects contributed heavily to construction activities, the private sector was also exceptionally strong during 1983. Some of the biggest gains have been in residential housing and commercial space. However, overbuilding is becoming evident in Anchorage. Juneau, in the midst of a "catch up" construction boom in commercial and retail space, shows evidence of a surplus in residential housing. Vacancy rates and home listings are up significantly in both communities. These factors will affect employment growth during 1984.

The current level of construction employment is unlikely to continue. Construction activity in Alaska is primarily a function of state expenditures and oil industry activities. Massive investment in Prudhoe/Kuparuk is largely complete and construction employment is expected to decline sharply on the North Slope. A more austere state budget means less state monies available for major projects in the future.

Manufacturing

Despite the poor crab harvest, employment in the fisheries industry remained strong in 1983. This was largely a result of the best salmon run in nearly 40 years. However, because of the smaller than normal size of the fish, production in weight approximately equaled that of recent seasons.

Weak demand for Alaska wood products has resulted in a continued slide in wood products employment. After some early strengthening of Japan's housing industry, housing starts dropped 18% in the first six months of 1983 from the like period in 1980. Unfavorable short term outlook for Alaska timber products and industry environmental problems suggest that employment may continue to be weak.

Trade

Wholesale and retail trade were both up significantly in 1983. Big gains were realized in retail trade in those firms that provide support to construction, especially residential construction. Furniture, hardware, building material and related office and home equipment stores led the surge in retail trade although significant gains were made in all areas. Construction activities were also undoubtedly a big contributor to growth in wholesale trade.

Increased economic activity in the state as well as growth in tourist traffic helped spur growth in other retail establishments. Food stores, restaurants and bars, and apparel and accessory stores all experienced better than 10% growth as did auto dealers. Other areas of trade showed smaller increases. Growth in trade is expected to continue in line with national trends and as more and better commodities are made available to Alaskans.

Other

Transportation, communications and utilities showed only modest growth which is somewhat surprising considering the growth elsewhere in the Alaska economy. The large sealift for Prudhoe/Kuparuk probably diverted some material destined for the North Slope that would have otherwise used normal transportation channels.

Finance, insurance and real estate annual growth exceeded 10% while services grew at an 8% rate. Trade and services employment in Alaska has historically lagged the U.S. as a percent of total employment. There has been a trend in Alaska in recent years to catch up to the U.S. relationships of trade and services to overall employment. As this trend continues, trade, services, real estate, insurance and finance will continue to make a greater than average contribution to employment growth.

State and local government grew while federal government employment fell. Much of the growth in state and local employment was in response to the greater educational needs of its citizens. With the limits placed on state operating budgets employment in state government is not expected to continue to show much growth. Local government will continue to grow in response to population growth and other demographic changes as well as higher expectations of local residents for government services.

Unemployment

After starting the year with 1983 unemployment rates well above those of 1982, the trend reversed in June. From July through November the monthly unemployment rate has consistently improved relative to the same month of 1982. Every sector of the economy benefited as the year progressed. Not surprisingly, claims for benefits in 1983 decreased the most in construction. With winter upon us and the seasonal nature of many of Alaska's industries, the unemployment rate is beginning to move up but at a rate still below last year.

Conclusion

Tourism will be the bright spot in Alaska's economy in 1984. With Alaska's silver anniversary, an improved U.S. economy, and improved exchange rates, 1984 should see a record number of tourists, especially foreign tourists, visit our state. Construction will experience a decline in employment as the current "building phase" winds down. Manufacturing is the other anticipated area of weak employment in 1984. Japanese housing demand is expected to remain sluggish while salmon runs are not anticipated to approach levels of the past two years.

Uncertainty about oil prices, a slow worldwide economic recovery and unfavorable exchange rates will keep Alaska's economy from experiencing the rapid growth in employment in 1984 that it has enjoyed the past few years. As the economic recovery gains strength and oil and commodity prices firm up, long term employment prospects will improve.

ALASKA

By Ed Eboch

Alaska's nonagricultural wage and salary employment continued its seasonal slide in November dropping to 209,700. While this was a 6,800 drop from the October employment levels it was a significant increase over November 1982. The month to month drop in employment was broad based including all industries except local government and other retail trade. Major month to month declines were experienced in the seasonal construction and seafood processing industries as well as services industries, especially those firms providing support to Alaska's seasonal industries.

The growth in employment from November 1982 included all industries except federal government, food and kindred products (mostly seafood processing) and lumber and pulp products. Seafood processing is down due to the problems with this year's crab harvest. The weak housing market in Japan continues to be reflected in the weak demand and poor prices for Alaska forest products. Expansion in construction employment and industries that support construction and state and local government growth account for much of the increase in employment from November 1982.

Unemployment increased in November to 10.0% up from 8.4% in October, but well below the 10.5% rate of November 1982. The drop in employment and associated increase in unemployed is usual for this time of year as the seasonal industries continue to adjust their employment levels as cold weather sets in.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P	R		CHANGES FROM:	
	11/83	10/83	11/82	10/83	11/82
Nonag. Wage & Salary	209700	216500	198200	-6800	11500
Mining	7800	8000	7800	-200	0
Construction	19700	22400	17400	-2700	2300
Manufacturing	9200	11100	9700	-1900	-500
Food & Kindred Prod.	3800	5200	4000	-1400	-200
Lumber & Paper Prod.	2500	2800	2900	-300	-400
All Other Mfg.	2900	3100	2800	-200	100
Trans. Comm. & Util.	18300	18700	17800	-400	500
Trucking & Whseing.	2200	2200	2100	0	100
Water Transportation	1200	1500	1300	-300	-100
Air Transportation	5800	5600	5400	200	400
Other Trans. Comm. & Utilities	9100	9400	9000	-300	100
Trade	42800	43100	39000	-300	3800
Wholesale	8200	8300	7300	-100	900
Retail	34600	34800	31700	-200	2900
Gen. Merchandise & Apparel	5400	5400	4900	0	500
Food Stores	5700	6000	5200	-300	500
Eating & Drinking Places...	11900	12000	11000	-100	900
Other Retail Trade	11600	11400	10600	200	1000
Fin.-Ins. & Real Estate	10900	10900	9800	0	1100
Services & Misc.	37700	38700	35600	-1000	2100
Government	63300	63600	61100	-300	2200
Federal	17100	17400	17400	-300	-300
State	19606	19800	18800	-200	800
Local	26600	26400	24900	200	1700

Prepared in cooperation with the U.S. Bureau of Labor Statistics.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

P Denotes preliminary estimates.
R Denotes revised estimates.

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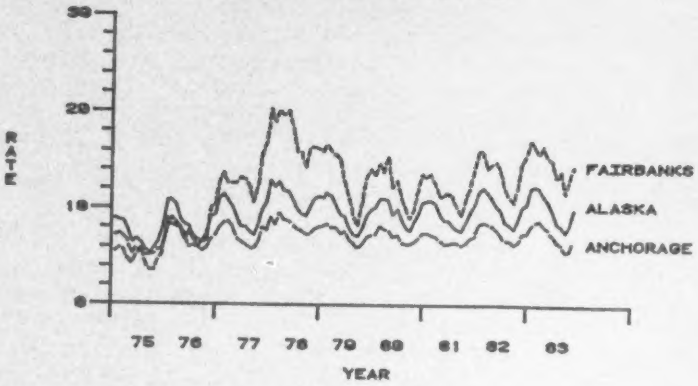
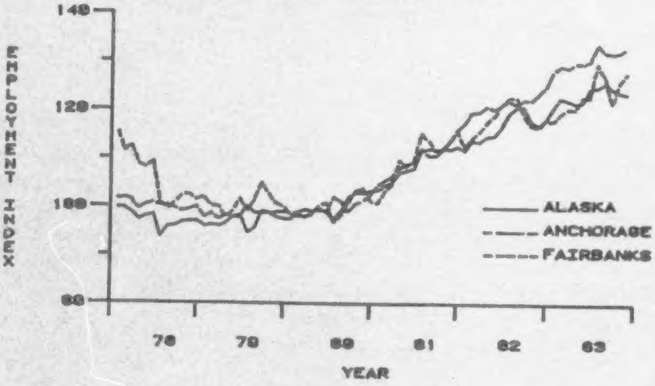


UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED

ANCHORAGE-MATSU

By Greg Huff

Employment/Unemployment

Nonagricultural employment in the Anchorage and MatSu areas dropped in November by 2,600 jobs. Normal for this time of year these declines in employment were largely a result of seasonal layoffs in the construction industry and related businesses. Construction employment region wide declined by 1,750 jobs; 1,550 in Anchorage. Although there were 2,600 less jobs areawide in November than in October there were 8,050 more jobs than a year-ago, a 7.2% increase.

The regional unemployment rate increased 1.3 percentage points to 7.7% in response to seasonal layoffs. The unemployment rate remained below year-ago levels, solidifying a new trend. From 1981 through the first half of this year the current unemployment rate was consistently greater than last year's rate. However, since mid-year the rate has fallen below the previous year. This new trend may reflect a slowing down of in-migration which was earlier causing the labor force to expand at a faster pace than employment. The recovery in the lower 48 economy may be the cause.

Anchorage Trade Employment

Since 1980 through the first three quarters of 1983 trade employment has grown at a robust 41% rate. In November, trade is one industry that bucks the seasonal trend as it traditionally gears up for the holiday season. Trade employment in November inched upward to an all time record of 26,150. Trade now accounts for nearly 24% of all jobs in Anchorage. Trade is gaining ground on the government sector as the single largest source of employment in Anchorage. (The government sector represented 25% of all jobs in 1982.)

The population and income gains which have been substantial over the past few years have been the catalyst for this growth in the trade sector. Preliminary population estimates show that the Anchorage population has grown 32% since 1980. Total wages and salaries, a major portion of income, advanced from 1.8 billion dollars in 1980 to 2.5 billion dollars in 1982. Trade wages and salaries totaled 288 million dollars in 1980 or 15.9% of total 1980 wages and 440 million dollars or 17.6% of total wages in 1982. A similar growth trend has continued into 1983.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 11/83	R 10/83	11/82	P 11/83	R 10/83	11/82	P 11/83	R 10/83	11/82	P 11/83	R 10/83	11/82
Alaska Statewide	211088	215375	210125	21028	18017	21725	10.0	8.4	10.3	190060	197358	188400
Anchorage-Matsu Region	110386	112071	110321	8465	7224	9011	7.7	6.4	8.2	101921	104847	101307
Anchorage	99329	100999	99353	6853	5868	7434	6.9	5.8	7.5	92476	95131	91919
Matanuska-Susitna	11057	11072	10968	1612	1356	1580	14.6	12.2	14.4	9445	9716	9388
Gulf Coast Region	22806	23471	21930	3013	2625	3506	13.2	11.2	16.0	19793	20846	18424
Cordova	1186	1228	1111	126	112	125	10.6	9.1	11.3	1060	1116	986
Kenai	11732	12132	11345	1647	1510	1958	14.0	12.4	17.3	10085	10622	9387
Kodiak	5143	5234	4998	623	474	791	12.1	9.1	15.8	4520	4760	4207
Seward	1679	1699	1611	268	212	297	16.0	12.5	18.4	1411	1487	1314
Valdez	3066	3178	2865	349	317	335	11.4	10.0	11.7	2717	2861	2530
Interior Region	28549	29089	28570	4070	3722	4163	14.3	12.8	14.6	24479	25367	24407
Fairbanks	23321	23821	23375	3369	3146	3481	14.4	13.2	14.9	19952	20675	19894
Southeast Fairbanks	2296	2324	2230	295	250	235	12.8	10.8	10.5	2001	2074	1995
Upper Yukon	711	715	685	114	96	90	16.0	13.4	13.1	597	619	595
Yukon Koyukuk	2221	2229	2280	292	230	357	13.1	10.3	15.7	1929	1999	1923
Northern Region	10408	10726	10041	910	733	807	8.7	6.8	8.0	9498	9993	9234
Barrow-North Slope	2788	2890	2696	226	195	205	8.1	6.7	7.6	2562	2695	2491
Kobuk	3264	3366	3146	316	265	280	9.7	7.9	8.9	2948	3101	2866
Nome	4356	4470	4199	368	273	322	8.4	6.1	7.7	3988	4197	3877
Southeast Region	28797	29323	29426	3591	2868	3404	12.5	9.8	11.6	25206	26455	26022
Angoon	367	387	388	33	37	44	9.0	9.6	11.3	334	350	344
Haines	998	992	1015	148	99	137	14.8	10.0	13.5	850	893	878
Juneau	10162	10486	10412	1012	884	966	10.0	8.4	9.3	9150	9602	9446
Ketchikan	6033	6129	6193	731	564	719	12.1	9.2	11.6	5302	5565	5474
Outer Ketchikan	776	773	864	151	117	219	19.5	15.1	25.3	625	656	645
Prince of Wales	1396	1403	1428	230	179	224	16.5	12.8	15.7	1166	1224	1204
Sitka	4150	4279	4247	453	399	431	10.9	9.3	10.1	3697	3880	3816
Skagway	1604	1598	1496	371	304	223	23.1	19.0	14.9	1233	1294	1273
Wrangell-Petersburg	3311	3276	3383	462	285	441	14.0	8.7	13.0	2849	2991	2942
Southwest Region	10142	10695	9837	979	845	831	9.7	7.9	8.4	9163	9850	9006
Aleutian Islands	2655	2834	2602	163	155	153	6.1	5.5	5.9	2492	2679	2449
Bethel	3275	3448	3153	360	314	288	11.0	9.1	9.1	2915	3134	2865
Bristol Bay Borough	369	387	354	40	34	31	10.8	8.8	8.8	329	353	323
Bristol Bay	1360	1417	1309	129	94	100	9.5	6.6	7.6	1231	1323	1209
Kuskokwim	899	958	862	104	104	81	11.6	10.9	9.4	795	854	781
Wade Hampton	1584	1651	1557	183	144	178	11.6	8.7	11.4	1401	1507	1379

P = Preliminary 1982 Benchmark

R = Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/	R		CHANGES FROM:	
	11/83	10/83	11/82	10/83	11/82
Nonag. Wage & Salary	105850	108150	98250	-2300	7600
Mining	3200	3250	3100	-50	100
Construction	9450	11000	8300	-1550	1150
Manufacturing	2400	2650	2150	-250	250
Food & Kindred Prod.	350	400	350	-50	0
Other Mfg.	2050	2250	1800	-200	250
Trans. Comm. & Util.	8900	9150	8400	-250	500
Trucking & Whseing.	1200	1250	1200	-50	0
Water Transportation	350	400	300	-50	50
Air Transportation	3550	3600	3400	-50	150
Other Trans. Comm. & Utilities	3800	3900	3500	-100	300
Trade	26150	26050	23900	100	2250
Wholesale	6150	6150	5550	0	600
Retail	20000	19900	18350	100	1650
General Merchandise	1850	1800	1800	50	50
Food Stores	2650	2650	2450	0	200
Eating & Drinking Places	7450	7500	6900	-50	550
Other Retail Trade	8050	7950	7200	100	850
Fin.-Ins. & Real Estate	7000	7050	6550	-50	450
Services & Misc.	23150	23500	21300	-350	1850
Government	25600	25500	24550	100	1050
Federal	10050	10150	9800	-100	250
State	6650	6600	6500	50	150
Local	8900	8750	8250	150	650

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P	R		CHANGES FROM:	
	11/83	10/83	11/82	10/83	11/82
Nonag. Wage & Salary	111700	114300	103650	-2600	8050
Mining	3250	3300	3200	-50	50
Construction	10250	12000	9100	-1750	1150
Manufacturing	2500	2900	2250	-400	250
Trans.-Comm. & Utilities	9400	9750	8900	-350	500
Trade	27300	27150	25000	150	2300
Fin.-Ins. & Real Estate	7300	7300	6800	0	500
Services & Misc.	24200	24650	22250	-450	1950
Government	27500	27250	26150	250	1350

Anchorage Trade Employment
1980-1983 /1

	1980	1982	1983 /2	% Change 1980-1983
Trade	17373	22448	24450	40.7%
Wholesale	4703	5330	5890	25.2%
Retail	12670	17118	18560	46.5%
General Merchandise	1677	1603	1675	0.1%
Food	1665	2368	2429	45.9%
Automotive/Service Stations	1416	1649	1778	25.6%
Eating & Drinking	4445	6582	7136	60.5%
Other Retail	3467	4916	5543	59.3%

1/ 3 quarter average (Jan.-Sept.)
2/ 1983 estimated

All sectors of trade from wholesale to eating and drinking places have experienced substantial growth since 1980. An exception, however, is the general merchandise sector which includes department stores. Growth in retail trade has been centered on specialty stores (like hardware, sporting goods, grocery and drug stores), not on the "all around" department store.

Eating and drinking places, the largest component of retail trade representing nearly a third of retail employment, has expanded by over 60% since 1980. The largest increases came in the eating establishments. Since 1980 eating establishment employment has grown over 70% while drinking establishments increased employment by only half that rate.

FAIRBANKS/INTERIOR

By Neal Fried

Upper Yukon 1980-1983

The past two articles on the Interior region have covered the latest employment trends in the Yukon-Koyukuk and Southeast Fairbanks. The last area of the Interior, the Upper Yukon, will be discussed completing the series on areas within the Interior region.

The Upper Yukon geographically includes all communities north of the Alaska Highway, east of the haul road and south of the North Slope Borough's boundary. The area includes the communities of Birch Creek, Fort Yukon, Beaver, Central, Stevens Village, Venetie, Chicken, Arctic Village, Chalkyitsik and Eagle. The communities vary in size from 32 in Birch Creek to 619 in Fort Yukon. The total population for the area is slightly more than 2000. More than half of the communities are accessible only by air on a year-round basis and by water during the summer months.

Employment

The state's economy during the past 3 years has been basking in prosperity. Employment has grown by 17% from 1980 to 1982. Nearly all other economic indicators have been pointing upward. This trend continued through the first 6 months of 1983. Upper Yukon's economy has not followed suit. Employment grew by only 7% during this same time period. What has caused the Upper Yukon to lag so far behind the state?

Much of the state's growth which has taken place has come as a result of record state spending during the past 3 years. The Upper Yukon has benefited from this with increased revenues going to local governments and schools, capital projects, and dividend payments. However, the communities in the Upper Yukon lack an economic infrastructure sufficient to capture these incoming dollars and circulate them through their economies. These dollars instead leak out of the communities almost as rapidly as they come, creating very little long term employment growth. This happens because communities and individuals within the Upper Yukon go to Fairbanks or Anchorage to purchase goods and services. When capital projects are undertaken, outside firms and labor often build them. In many of the larger urban areas of the state, the oil revenue expenditures have resulted in private sector investment. This has not occurred in the Upper Yukon.

Government remains Upper Yukon's largest employer. Approximately 62% of wage and salary employment is with government and 59% of the payroll originates from the public sector. The lion's share of this employment is in local government, with the Yukon Flats School District being the single largest employer in the area. A very small secondary sector, trade and services, employs 13% of the wage and salary workforce. Transportation is the largest private industry employer, employing 15% of the workforce. This is not surprising given the effort necessary to travel and move goods to and from many of these communities. The number of firms with employees has remained basically unchanged for the past 3 years.

There is economic activity which does not show up in the wage and salary employment figures but does provide employment in the Upper Yukon. Ever since gold prices began to soar, gold mining has provided employment to many in the area. The number of mining claims more than doubled in 1980. There are no reliable figures on the number of people involved in this activity but it is considered substantial because the Upper Yukon is one of the most active gold mining areas in the state. These employees are not counted in wage and salary employment for the most part because they are not typically paid wages or salaries but instead are compensated in a variety of other ways. There is also a Yukon River salmon fishery which provides cash income and employment during part of the year which are not counted. Subsistence, another form of employment, is also not reflected in these employment numbers.

Unemployment

Unemployment remains high in the Upper Yukon. The unemployment rate hit a high of 20.1 percent and did not fall below 14.6% in 1983. In some of the communities, the number of full-time wage and salary jobs can literally be counted on one hand. Other economic indicators point to a lack of cash income. For example, family income for the area is 1/3 of the state's average. In some communities it is as low as ¼. The incidence of poverty is more than double the state's average. This picture is not likely to change until a viable basic sector exists which is large enough to generate income to support a secondary sector.

Upper Yukon Nonagricultural Employment
1980-1982

	1980	1981	1982
Total Nonagricultural Employment	364	368	388
Mining	•	38	[illegible]
Construction	•	•	•
Transportation	52	64	62
Trade	•	•	•
Wholesale	•	•	•
Retail	13	12	18
Finance, Insurance & Real Estate	8	8	6
Services	20	28	34
Government	242	216	242
Federal	34	32	35
State	26	31	37
Local	169	153	170

• Nondisclosable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	11/83	10/83	11/82	10/83	11/82
Nonag. Wage & Salary	26750	27650	24500	-900	2250
Mining	250	350	200	-100	50
Construction	2400	3000	1700	-600	700
Manufacturing	500	550	450	-50	50
Trans. Comm. & Util.	2800	2900	2650	-100	150
Trucking & Whseing.	450	450	300	0	150
Air Transportation	550	600	550	-50	0
Other Trans. Comm. & Utilities	1800	1850	1800	-50	0
Trade	5700	5700	5050	0	650
Wholesale	900	950	850	-50	50
Retail	4800	4750	4200	50	600
Gen. Merchandise & Apparel	450	450	400	0	50
Food Stores	800	800	700	0	100
Other Retail Trade	3550	3500	3100	50	450
Fin.-Ins. & Real Estate	1050	1050	950	0	100
Services & Misc.	4950	5100	4900	-150	50
Government	9100	9000	8600	100	500
Federal	2650	2650	2450	0	200
State	4000	3950	3850	50	150
Local	2450	2400	2300	50	150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/	R/		CHANGES FROM:	
	11/83	10/83	11/82	10/83	11/82
Nonag. Wage & Salary	30450	31300	28000	-850	2450
Mining	400	450	350	-50	50
Construction	2450	3000	1750	-550	700
Manufacturing	550	550	450	0	100
Trans. Comm. & Util.	3600	3700	3500	-100	100
Trade	6200	6100	5400	100	800
Fin.-Ins. & Real Estate	1100	1100	1000	0	100
Services & Misc.	5350	5550	5200	-200	150
Government	10800	10850	10350	-50	450

GULF COAST

By Neal Fried

Seward 1980-1983

During the past 2 months articles on the Gulf Coast have covered smaller geographic areas within the region. Periodically wage and salary statistics regarding these sub-areas become available which offer the opportunity for a more realistic economic analysis than at the regional level. (See table). This month the Seward area will be covered.

The Seward area includes the communities of Seward, Cooper Landing, Hope and Moose Pass. The city of Seward has 65% of the area's population, and 93% of the wage and salary employment.

Employment

Statewide employment has grown by 17% from 1980 to 1982 while in Seward employment levels have remained relatively flat. The trend continued through the first 6 months of 1983. This would immediately lead one to conclude that Seward has been left untouched by the prosperity which urban Alaska has enjoyed during the past 3 years. Other statistics as well would support the idea of stagnation. The population of Seward has grown little during the past 3 years. State and local government employment in Seward has increased by only 7% during this period. The number of new housing units has not increased despite the state's housing program. In spite of these figures, however, Seward's economy appears to have been dynamic.

The reason Seward's wage and salary employment has not moved ahead is that manufacturing employment (fish processing) declined during the past 3 years. Fish processing employment over the decade has grown in Seward but because it is such an unpredictable industry, dependent on so many factors, employment can fluctuate widely and dramatically affect total employment numbers.

All other industries in Seward have grown. Much of this growth has been in response to increased state expenditures during the past 3 years. Employment in secondary industries has grown particularly transportation, services and trade, chalking up gains of 52%, 15%, and 23%, respectively. Some of the growth in these three industries came as a result of good tourist seasons. With Anchorage's population spiraling upward, the demand for recreation has increased and Seward has benefited. The number of out-of-state travelers has also apparently increased.

Construction statistics are elusive since many projects constructed in the Seward area over the past three years have been built by firms from

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P	R			
	11/83	10/83	11/82	10/83	11/82
Nonag. Wage & Salary	18350	19250	17300	-900	1050
Mining	750	750	700	0	50
Construction	1850	2150	1350	-300	500
Manufacturing	2250	2650	2350	-400	-100
Food & Kindred Prod.	1450	1850	1700	-400	-250
All Other Mfg.	800	800	650	0	150
Trans. Comm. & Util.	2100	2100	2100	0	0
Trade	3000	3050	2700	-50	300
Wholesale	400	400	350	0	50
Retail	2600	2650	2350	-50	250
Fin.-Ins. & Real Estate	500	500	500	0	0
Services & Misc.	3000	3050	2800	-50	200
Government	4900	5000	4800	-100	100
Federal	500	500	500	0	0
State	1500	1550	1500	-50	0
Local	2900	2950	2800	-50	100

Anchorage and outside. In many cases the workers on these projects were not counted in Seward's employment totals. Large multi-million dollar construction projects have occurred in the Seward area, such as the Trail Lakes fish hatchery, highway construction, the new Seward Marine Industrial Center, and the new coal exporting facility. Seward is banking a good deal of its economic future on the last two projects. Unlike many of the state's capital projects, these two projects are specifially aimed at Seward's economic base.

The recent choice of Seward as the site for the state's new maximum security prison will give the economy a healthy boost, providing about 300 corrections jobs and a payroll of 6 to 8 million dollars. The $6 million coal loading facility will make Seward the first international coal exporting facility in the state. A contract has already been signed between the Usibelli coal mine and Suneel of Korea to begin shipments next year. The coal facility is expected to create approximately 20 full time jobs. The Seward Marine Industrial Center hopes to become a major shipyard repair facility for vessels operating in Alaska. Next year it will have the capability of handling most of the vessels plying Alaska's waters. Shipping may also get an additional boost with the announcement that Sea-Express will begin a weekly barge service early next year between Seattle and Seward. The barge will be a state of the art 3 deck vessel which can carry up to 350 trailers at a time.

If all of these projects do materialize, they will provide Seward with a significant increase to employment on a long-term basis. This boost would probably be large enough to pull Seward into a growth mode, even if fishing does not rebound.

Unemployment

Unemployment remains a persistent problem in Seward. Through November of 1983 all but two months have been at the double digit level. The high was 22.8% during January and the low was 7.9% in August. Seward's unemployment rate in 1983 has been 15.4% compared to 10.1% for the state. This is both because Seward has a large seasonal sector, fishing and tourism, and also because total employment has not advanced over the past years.

Seward Nonagricultural Employment
1980-1982

	1980	1981	1982
Total Nonagricultural Employment	1254	1156	1243
Mining	•	•	•
Construction	•	•	•
Manufacturing	•	•	•
Transportation	48	47	73
Trade	•	•	•
Wholesale	•	•	•
Retail	157	156	180
Finance, Insurance & Real Estate	17	20	20
Services	177	179	218
Government	377	383	405
Federal	61	53	47
State	194	211	221
Local	119	127	137

• Nondisclosable.

SOUTHEAST ALASKA

By John Boucher

Ketchikan Employment: 1980 to 1982

From 1980 to 1982, Alaskan employment grew at a very rapid rate, expanding 17% during these two years. While the state's employment was growing rapidly, in Alaska's "First City", Ketchikan, employment did not grow at all. As a matter of fact, Ketchikan employment decreased from 1980 to 1982. Three industries accounted for the downturn in Ketchikan employment during those two years—manufacturing; transportation, communication and public utilities; and construction. The biggest factor effecting total employment in Ketchikan was the downturn in manufacturing employment.

In 1980, manufacturing was the second largest source of employment in the Ketchikan census division. Since 1980, manufacturing employment has decreased almost 20%, which means 246 less manufacturing jobs. The manufacturing industry in Ketchikan has two principal players, the seafood processing industry and the forest products industry. Events of the past two years have not been kind to either of these industries. Forest products related employment decreased because of the slowdown of Japanese housing starts during the past two years, and seafood processing declined in 1982 because of the soft salmon market that followed the botulism scare.

Transportation, communication and public utilities and construction both had fairly large declines in employment during these two years. One sector of transportation that dropped precipitously during this period was marine cargo handling. The slowdown in Ketchikan's manufacturing industry probably caused a slowdown in shipments which resulted in less stevedoring activity. Other factors that contributed to the decline in this industry from 1981 to 1982 were the pullout of Wien Airlines, and markedly lower activity in school bus and taxicab operations.

Ketchikan's entire employment picture was not all bad during this period. Trade, services and government all experienced growth from 1980 to 1982. Services showed the strongest growth in the Ketchikan economy during these two years, growing 18.8%. Most of this growth occurred from 1981 to 1982 with the major contributors being hotel and motel employment, business services, and social services. Trade growth for this period was 13.4%. Nearly all of the growth in trade came in the retail sector, the largest contributors being eating and drinking establishments, food store employment and the miscellaneous retail category.

In the Government sector, state government employment was the largest single contributor to overall government growth in Ketchikan. State government accounted for almost 100 more jobs in 1982 than it did in 1980. Local government employment also grew during this period but at a more modest rate than state government employment. Federal government employment declined from 1980 to 1982.

The immediate future holds much uncertainty for the Ketchikan economy. The labor and financial problems surrounding the Ketchikan Spruce Mill as well as the current market for forest products pose further threats to employment in Ketchikan's manufacturing industry. The long term future of the community would be greatly enhanced should the Quartz Hill development continue ahead at full speed. An improving U.S. economy could be an encouraging sign that would signal the recovery of the forest products industry, and enhance Quartz Hill's feasibility.

Ketchikan Nonagricultural Wage and Salary Employment
1980-1982

	1980	1981	1982	% Change
Total Nonagricultural	5,889	5,539	5,403	-8.2
Mining	•	•	•	
Construction	393	257	270	-31.3
Manufacturing	1,242	973	996	-19.8
Trans., Comm. & Public Utilities	658	630	499	-24.2
Trade	982	988	1,080	13.4
Wholesale	114	81	116	1.7
Retail	868	907	965	11.2
Fin., Ins., & Real Estate	•	•	•	-8.7
Services	872	863	1,036	18.8
Government	1,484	1,495	1,597	7.6
Federal	359	321	342	-4.7
State	430	436	531	23.5
Local	695	738	766	10.2

All totals are annual averages.

• Indicates nondisclosable number.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/ 11/83	R/ 10/83	11/82	CHANGES FROM: 10/83	11/82
Nonag. Wage & Salary	27750	29100	27400	-1350	350
Construction	1950	2100	1800	-150	150
Manufacturing	3000	3950	3650	-950	-650
Food & Kindred Prod.	800	1450	950	-650	-150
Lumber & Paper Prod.	2000	2250	2450	-250	-450
All Other Mfg.	200	250	250	-50	-50
Trans. Comm. & Util.	1900	2000	1850	-100	50
Trade	4400	4400	4100	0	300
Wholesale	350	350	300	0	50
Retail	4050	4050	3800	0	250
Fin.-Ins. & R. Estate	1000	1000	950	0	50
Mining, Services & Misc.	3900	4000	3700	-100	200
Government	11600	11650	11350	-50	250
Federal	2300	2350	2200	-50	100
State	5250	5300	5300	-50	-50
Local	4050	4000	3850	50	200

HOURS AND EARNINGS

By Kathryn Lizik

Noticeable changes in October hours and earnings took place in the seasonal food and kindred products sector of manufacturing. Average hourly earnings dropped 7% and average weekly hours fell 24% from September, culminating in a 29% drop in the average weekly earnings. Although this reduction is typical for the fall months following a heavy summer salmon harvest, the usual rebound in winter processing activity is not expected to materialize this year due to poor king crab stocks. Several canneries around the state were working as little as one day a week during October, some not at all. Most are waiting until after the first of the year when the tanner crab season opens in the Westward region.

In other industries, construction saw overtime hours decrease over September, returning to a more normal 40 hour work week as average weekly hours fell 9% from 44.8 to 40.7. This was coupled with an expected boost in average hourly earnings as seasonal laborers were laid off leaving specialty crews to finish up near completed jobs.

Although October is still early to be heavily impacted by the holiday season, trade experienced an overall increase of 3% in average weekly hours. Wholesale trade saw the biggest leap (8%) from 36.5 to 39.3 hours. Retail also climbed but only from 33.7 to 34.2 (1%). Newly operating fast food places and shopping malls helped boost the employment hours but also caused the average hourly wages to slightly dip due to the hiring of new help. Wholesale average wages dropped 3% while retail dropped 1%.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 10/83	r/ 9/83	10/82	p/ 10/83	r/ 9/83	10/82	p/ 10/83	r/ 9/83	10/82
Mining	$23.50	$24.05	$23.71	49.6	51.8	50.3	$1165.60	$1245.79	$1192.61
Contract Construction 3/	24.97	24.32	23.65	40.7	44.8	45.1	1016.28	1089.54	1066.62
Manufacturing	15.13	13.57	13.43	31.3	32.4	31.6	473.57	439.67	424.39
Food & Kindred Products	8.73	9.38	8.11	20.3	26.7	23.0	177.22	250.45	186.53
Lumber & Paper Products	18.37	17.24	16.01	41.6	39.6	39.8	764.19	682.70	637.20
Trans. Comm. & Utilities	16.67	16.85	15.64	36.5	37.5	38.4	608.46	631.88	600.58
Trade	10.16	10.31	9.76	35.6	34.5	35.2	361.70	355.70	343.55
Wholesale	12.12	12.50	11.48	39.3	36.5	37.8	476.32	456.25	433.94
Retail	9.33	9.42	9.05	34.2	33.7	34.2	319.09	317.45	309.51
Finance-Ins. & Real Estate	—	—	—	—	—	—	348.10	330.63	360.16

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

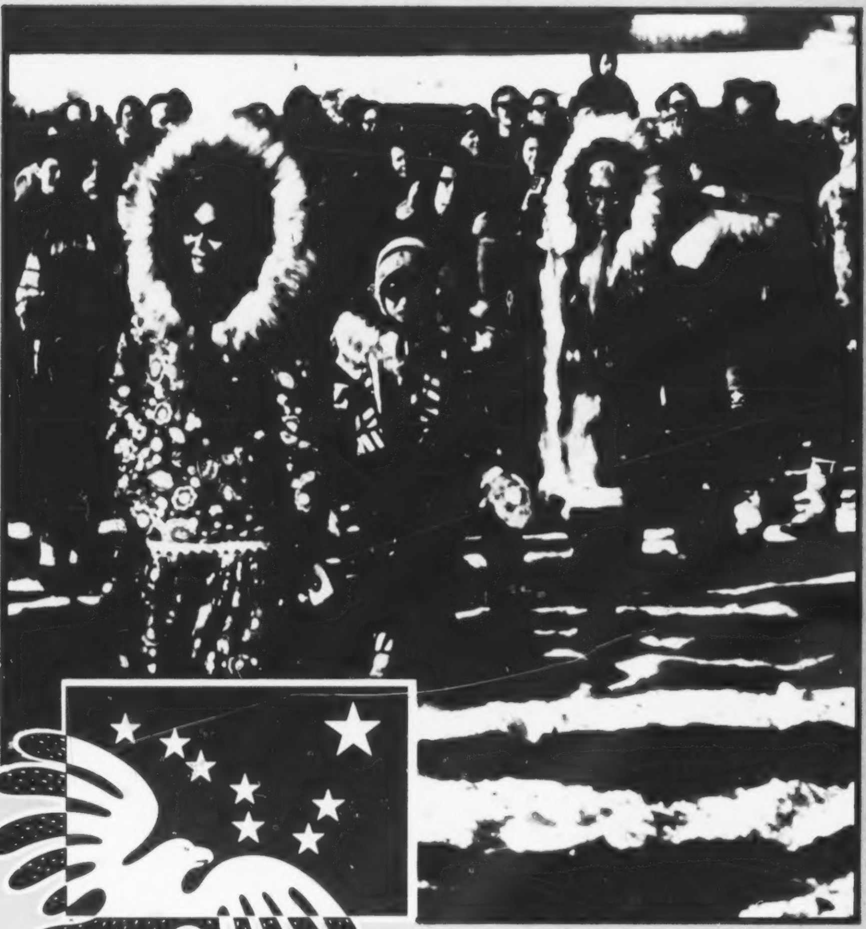
AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

FEBRUARY 1984

SJ 320-1

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



ALASKA · 1984
25 YEARS OF STATEHOOD

1 **Alaska During Statehood: Demographics of the First 25 Years**

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ALASKA ECONOMIC TRENDS

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Funded by:

February 1984
Volume 4
Issue 2

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802

Photograph courtesy of Alaska Department of Tourism.

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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

P Denotes preliminary estimates.

R Denotes revised estimates.

ALASKA DURING STATEHOOD: Demographics of the First 25 Years

By Jo Van Patten

Nineteen eighty four marks the silver anniversary of statehood for Alaska. Twenty-five years is a relatively short time in terms of the maturation process from territory into settled statehood. Our east coast states have celebrated their 200th anniversary as states, and the next youngest states, New Mexico and Arizona, admitted to the union in 1912, long ago lost their frontier status. Alaska, alone, retains the image of the "last frontier", a state not quite finished, not quite grownup, an unknown quantity to many in the "lower forty-eight." Alaska, with a total area of 591,000 sq. miles is the largest state in the union. It has the longest coastline, 5,580 statute miles, and the highest mountain, Mt. McKinley, 20,320 feet. Alaska has more land in State parks (2,975,000 acres) than any other state, more than double that of the second ranking state California, with 1,045,000 acres. Moreover, Alaska with 5.6 million acres, has more than 2/3 of the total acreage in the entire National Park System. The National Lands Act of 1980 established the only park entirely north of the Arctic Circle, the Gates of the Arctic Park. In the twenty-five years Alaska has been a state, many of these superlatives have remained the same. Yet, Alaska has the smallest population of any state in the union. Since the first census in the territory in 1890, the population has grown from 32,052 persons to 226,167 in 1960, and to 401,851 in 1980. The estimate for 1984 is for continued growth to over 500,000.

The demographics of the population growth in the years since statehood are indicative of this maturation process. The typically high male to female ratio of a frontier area has decreased from 132.3 men per 100 women in 1960 to 112.8 per 100 in 1980, although still well above the national ratio of 94.5 per 100 women. Continued decline in this ratio is expected, with the 1982 ratio estimated to be 110 males per 100 females. In the 1900 census the ratio was 258.9 men per 100 women. Men,will probably always outnumber females in the state, as long as there is a major military population group present. As the economy shifts from the exploration development phase into a more diversified economic base, the male to female ratio will continue to adjust itself. The male population increased 65.4% from 1960 to 1980, while the female portion increased 93.9%.

The age profile of the state has reflected major historic and economic events within the state. During the gold rush days, at the turn of the century, it was the males age 25-34 that came to the state. From 1890 to 1910 the total population grew 100.8% while the male age group 25-34 grew by 160.9%. With the establishment of military bases in the state in the 1940's, the male population age 20-30 grew 180% while the state population grew 77.4%. From 1960 to 1980, state population grew 77.7%, males age 20-24 by 51.2%, males age 25-29 by 115.7%, and 30-34 by 108.2%. The same female age groups show much smaller increases.

With a median age of 26.0 years in 1980, Alaska has the second youngest population of the 50 states; 32.5% of its population is under age 18. In 1960, 39.3% of the states' population was under 18, with a median age of 23.3. At the other end of the age range, Alaska is the state with the lowest percentage of persons over 65: 2.9% in 1980, and 2.4% in 1960. In the census of 1890, only 393 persons over the age of 65 were living in this vast territory. There has been some aging of the population in the years since statehood, however. The 1982 estimate pushes the percentage of those over 65 to 3.0% or approximately 13,920 persons.

In keeping with national trends, fertility rates have shown a marked decrease in Alaska. The fertility ratio, as indicated by the number of children under 5 years per 1,000 women 15 to 49 years of age, was 692 in 1960. By 1980 this measure was 343, a dramatic decrease. Fertility, as measured by specific age groups, is shown in the following table for both 1960 and 1980.

Number of children ever born per 1000 women

Census	Age 15-24	25-34	35-44
1960	805	2504	2743
1980	894	1610	2758

Decreasing fertility since 1960 is shown in the drop in the number of children ever born to women 25-34 in 1980. The baby boom was over and smaller families were fashionable. There is a slight rise in the number of children ever born to women age 15-24 in 1980 which may give Alaska a small "boom" in the later 80's. However, we still see a marked decrease in that portion of the population under age 5 between 1960 and 1980. In 1960 15.2% of the state population was under age 5, while in 1980 this had decreased to 9.7%. Births per thousand dropped from 33.4 in 1960 to 22.9 in 1980. As the 1980, 0-5 age group continues to grow older and if fertility rates do not show any marked increase, the "aging" process of the state will continue into the 1990's.

Alaskans are living longer, as is the population in the lower forty-eight. According to life tables for 1959-61 the average life expectancy for an Alaskan was 67.5 years; by 1980 this had increased to 72.7 years. Alaska still trails the U.S. life expectancy of 73.7 years in 1979. After examining the mortality statistics for the state, it becomes evident that this shorter Alaskan life-span may be a statistical phenomenon rather than an actuality. A large number of Alaskans go south for their retirement years. They do not stay in the state and therefore do not show up in the mortality statistics. If everyone in the 60-64 age group in 1970 (5,310 persons) stayed in the state, with death being the only factor to decrease the population (no migration), one would expect to find 4,057 persons, age 70-74 in 1980; yet only 3,106 were counted. Out-migration is strong at the high end of the age scale. Unfortunately there is no information on life expectancies for Alaskans claiming other states as their residences at death.

Alaskans are better educated than ever with 21.1%, or 1 in 5, having a college degree. This is second only to Colorado and more than double the 1960 percentage. Much of this education is attained out of the state. Alaska was second only to Nevada in 1979 in the percentage of its first-time freshmen enrolling out-of-state (47.1%). There is only 5.7% of the first-time freshmen coming to this state for their education, leaving Alaska with the highest percentage of out-migration for post secondary education. The median number of school years completed in 1960 was 12.1, high in itself, but pushed still higher to 12.8 in 1980. In 1980,82.8% of persons 25 years and older had completed high school, up from 54.7% in 1960. For the entire U.S., the median number of school years completed was 10.6 in 1960 and 12.5 in 1980. The percent completing high school in 1980 was 66.3% for the U.S. as a whole.

Employment for women in Alaska has increased dramatically since statehood. In 1960, 39.3% of women 14 years and older were in the labor force. By 1980, 57.9% of women 16 years and older were in the labor force. Nationally, the percentage of women age 16 and older in the labor force went from 37.8% in 1960 to 52.9% in 1982. Alaska's continually higher female participation rate is remarkable in a state where mining, construction, and fishing are major employers and more importantly, major male dominated sectors of employment. Employment growth in trade and services has helped to push the female participation rate up recently.

Contrary to popular belief, the percent of the employed population who work for either a local, state, or the federal government has not changed significantly since 1960. In 1960 the percentage was 33.1% while the 1980 census found 33.5% of those employed in 1980 in the state were government workers. But the shift of governmental responsibilities from the federal government of territorial days to the now appropriate state or local governmental agency can be seen in the breakdown of government employment displayed in the following table.

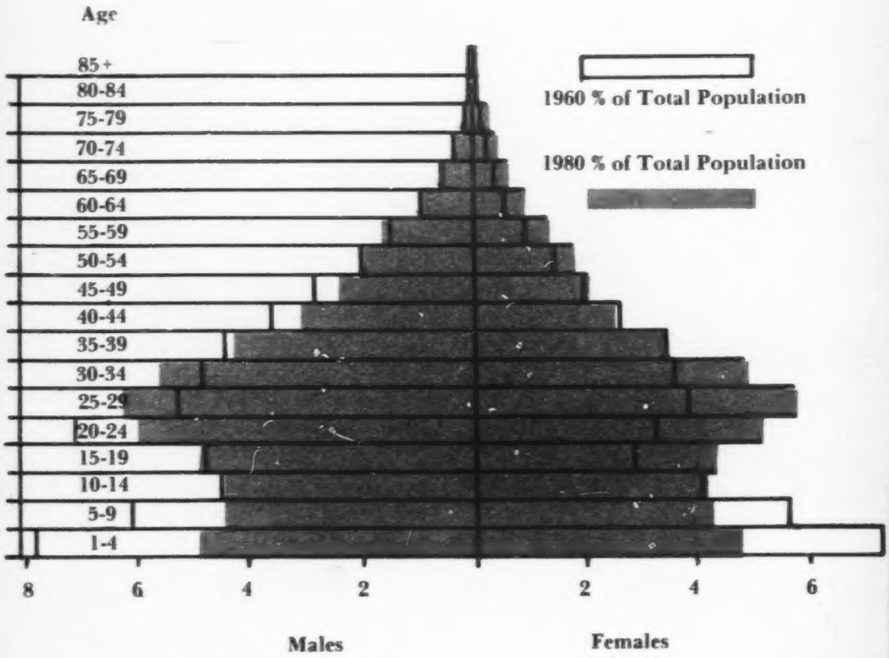
Percentage of Total Government Employment

	1970	1980
Federal	46.7%	35.8%
State	27.9%	34.9%
Local	25.3%	29.3%

As the federal government has shifted control to the state, the employment has followed also. Additionally, the public administration and construction sectors have actually declined in their percentages of industry employment. Since 1970, the most notable change in major industry employment has been the increase in the professional services. Employment there has risen from 14.7% in 1960 to 21.9% in 1980.

As Alaska's twenty-fifth year unfolds, another superlative is added to its descriptive statistics. The July 1, 1982 population estimates series from the Bureau of the Census shows Alaska as the state with the largest rate of in-migration, put at 10.3% between April 1, 1980 and July 1, 1982. The composition of this in-migration will determine whether or not Alaska's demographics will again reflect the state's economic trends. As the state shifts more and more away from the frontier configuration, we should see even more women present, more families forming, more middle aged persons (35-55) staying, and a general shift to the demographic profile of an older state. The 1990 census will give us the next true demographic profile.

Percent of Distribution of the Resident Population, by Age and Sex: 1960 to 1980.



1984 ANCHORAGE EMPLOYMENT FORECAST

By Greg Huff

The employment forecasts listed on page 6 are based on the Box-Jenkins ARIMA modeling method. ARIMA models are a quantitative method which can be used to produce short-term forecasts of a time series from its own prior values. The forecasts presented are based on actual counts of employment through December 1982 and estimated employment through October of 1983. The ARIMA forecasts were adjusted to reflect more recent information.

Total Employment

Generally, the forecasts indicate a healthy but slowing economy. Total employment is forecast to increase 3.4%, compared to 10.4%, 10.5%, and 8.1%, respectively, for 1981 through 1983. Declining construction activities and a slowdown of government employment growth are the primary contributors to the slackening growth in total employment. The retail trade; finance, insurance, and real estate; and services sectors are forecast to continue their vigorous growth trend. Anchorage employment growth is forecast to outpace statewide growth of 1.7%. Anchorage, in 1984, will not feel the full repercussions of some factors dragging on the statewide economy. A depressed pulp and lumber industry, a sagging seafood processing sector, and decreasing construction activity on the North Slope will have little impact on Anchorage.

Mining

Mining employment is forecast to increase moderately in 1984. Continued weak oil and precious metal prices will moderate expansion in the mining sector. Anchorage oil industry employment will increase because of the supporting role Anchorage based staffs play in the ongoing development and recovery enhancement projects in the oil fields on the North Slope and the exploration for new fields. Despite the disappointing news about the Mukluk exploratory well, exploration for new oil will continue, though at a cautious pace.

Construction

Construction employment is forecast to decline about 8.1% in 1984. The decline will come primarily from lower activity in the residential housing market. Indications of a weakening residential housing market began appearing in late 1983. The condominium market was saturated. Financiers began tightening construction loan policies on speculative projects in response to the supply situation. The number of housing permits issued in that last quarter of 1983 began to slip from the record highs seen earlier in

Anchorage Employment Forecast
1983-1984*

	1983	1984	% Change	# of Jobs
Total Nonag.	103950	107450	3.4	3500
Mining	3250	3350	3.1	100
Construction	9250	8500	-8.1	-750
Manufacturing	2600	2700	3.8	100
Food & Kindred	500	500	—	—
Other Manufacturing	2100	2200	4.8	100
Trans. Comm. & Utilities	9000	9250	2.8	250
Trucking & Warehousing	1300	1300	—	—
Water	350	350	—	—
Air Transportation	3550	3650	2.8	100
Other	3800	3950	3.9	150
Trade -	24900	26450	6.2	1550
Wholesale	5950	6200	4.2	250
Retail	18950	20250	6.9	1300
General Merchandise	1750	1750	—	—
Food Stores	2500	2650	6.0	150
Eating & Drinking Places	7250	7750	6.9	500
Other	7500	8100	8.0	600
Fin.-Ins. & Real Estate	6950	7450	7.2	500
Services	23050	24400	5.9	1350
Government	25000	25350	1.4	350
Federal	10000	10100	1.0	100
State	6400	6500	1.6	100
Local	8600	8750	1.7	150

* Numbers may not sum because of rounding.

the year. For the whole of 1983, 9,259 building permits were authorized compared to 6,767 in 1982. However, the last quarter results revealed a 48% decline from 1982 levels. The declines were based in all types of structures from single family dwellings to condominiums. Condo's with 5 or more individual units declined by the greatest amount. Although activity in the residential sector will slacken in 1984, Alaska Housing Finance Corporation mortgages and the in-migration of population will maintain a sizable amount of home construction activity for the 1984 season.

Private commercial construction activity in 1984 will remain flat, but will experience shifts in the activity mix. Some commercial markets, such as office space, are saturated and suffering from high vacancy rates. These markets will encounter declines in activity. Other markets have room for additional capacity and will see such increases. An example of this is the hotel and retail trade markets.

Public construction will also hold steady in 1984. Road construction will again top the $100 million mark with projects such as the A/C cuplet, the extention of Minnesota bypass and phase one of Dimond Blvd. Also major facilities such as project 80's library which were funded during the run up of state revenues will reach peak construction in 1984.

Government

Growth in government employment is forecast to slow to 1.4% in 1984 compared to 4.6% in 1983. Federal government will continue its sluggish growth with the civilian military providing the impetus for a small gain. The Municipality of Anchorage, living with its new austerity budget, will keep manpower increases to a minimum but additional services will push employment levels up. The local education sector is likely to experience a large share of local government growth. The location of the increasing number of state offices in Anchorage means that Anchorage's state government employment will experience another growth year.

Other Industries

The surge in population and personal income experienced since late 1980 will continue to generate growth in the secondary industries such as transportation, utilities and communication; trade; finance, insurance and real estate; and services. Areas of retail trade will be one of the fastest growing sectors. Increased tourism in 1984 will also add impetus to firms providing goods and services to tourists, such as accommodations, gift shops and air and bus transportation.

ALASKA

By Ed Eboch

Led by construction and manufacturing, total nonagriculture employment dropped for the fourth consecutive month. Estimated total employment for December was 204,700, down from November's revised 210,300. The December unemployment rate was 11.0%.

The decline was expected as seasonal employment adjustments take place in construction, seafood processing and industries that support these activities. Unexpected was the continued high rate of construction activity and the greater than normal drop in seafood processing.

Construction

With residential housing and commercial construction still strong in Anchorage-Matsu, December construction employment is the best since 1976 and well above December 1982. This situation is not expected to continue as there is strong evidence of overbuilding in Alaska's three major communities. Home listings and apartment rental vacancies are up and an easing of rental rates is observed in all three communities. Office vacancy rates are up in Anchorage and with the level of building activity just completed, these vacancy rates are likely to remain unseasonally high. With the extent of building in Juneau the commercial vacancy rate may rise there as well.

While construction employment is unlikely to reach the levels of 1983, scheduled projects in both the private and public sector makes it doubtful that precipitous drops will be seen in nonresidential housing construction in 1984. The weakness for 1984 construction activity is in residential building. Any decline in construction employment is unlikely to seriously impact other industries. Prospects for growth elsewhere in the economy should more than offset declines in construction employment in 1984.

Fishing

While construction employment was the bright spot in the Alaska employment scene, seafood processing experienced its worse December for employment since 1974. The industry optimism over the peak salmon runs and improved inventory picture was quickly reversed with the news about the Alaska king crab stocks. After record catches for the 1980/81 season the catch for all shellfish has declined but none more rapidly than king crab.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P 12/83	R 11/83	12/82	11/83	12/82
Nonag. Wage & Salary	204700	210300	195500	-3600	9200
Mining	7600	7900	7600	-300	0
Construction	17000	19400	15500	-2400	1500
Manufacturing	7900	9200	8900	-1300	-1000
Food & Kindred Prod.	3000	3900	3600	-900	-600
Lumber & Paper Prod.	2000	2500	2500	-300	-500
All Other Mfg.	2900	3000	2800	-100	100
Trans. Comm. & Util.	17900	18200	17600	-300	300
Trucking & Whseing.	2200	2200	2200	0	0
Water Transportation	1200	1300	1100	-100	100
Air Transportation	5600	5700	5300	-100	300
Other Trans. Comm. & Utilities	8900	9000	9000	-100	-100
Trade	42700	42600	39000	100	3700
Wholesale	8000	8000	7300	0	700
Retail	34700	34600	31700	100	3000
Gen. Merchandise & Apparel	5600	5400	5100	200	500
Food Stores	5800	5800	5100	0	700
Eating & Drinking Places	11800	11900	10900	-100	900
Other Retail Trade	11500	11500	10600	0	900
Fin.—Ins. & R. Estate	10500	10800	10000	-300	500
Services & Misc.	38000	38000	36200	0	1800
Government	63100	64200	60700	-1100	2400
Federal	17600	17600	17100	0	500
State	19100	19700	18700	-600	400
Local	26400	26900	24900	-500	1500

Prepared in cooperation with the U.S. Bureau of Labor Statistics.
Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1982.

P Denotes preliminary estimates.
R Denotes revised estimates.

Alaska Shellfish Catch
(Millions of Pounds) 1/

	80/81	81/82	82/83	83/84 2
King Crab	193.1	87.2	40.5	20.3
Tanner Crab	122.0	107.1	69.7	61.1
Dungeness Crab	6.1	11.9	16.1	11.8
Shrimp	52.1	27.7	16.9	7.4
Scallop	.1	.6	.8	.15

Groundfish Catch
(Metric Tons)

Groundfish	44,449	116,124	208,784	415,178

1 By fishing season.
2 Season still in progress. Represents estimated catch based on data-to-date.

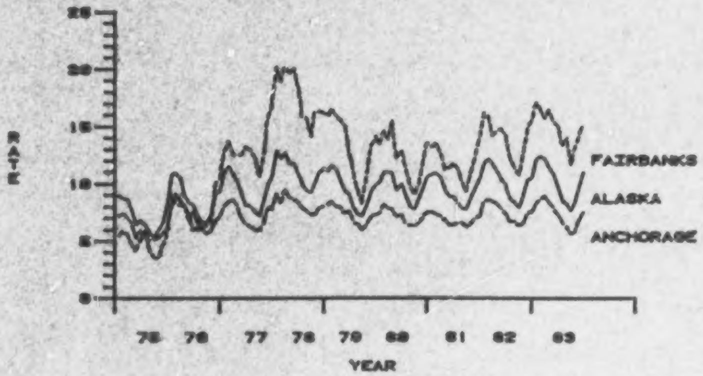
Source: Alaska Department of Fish and Game

Dutch Harbor, the Alaska Peninsula, Kodiak, and Bristol Bay did not have a 1984 red king crab season and Kodiak is the only western district where tanner crab is still strong. In addition, after three fairly successful seasons the dungeness crab catch was dropping off rapidly. The loss of the king crab season has resulted in an increase of boats in other areas. It is estimated that the number of boats participating in the Adak red and brown king crab harvest has tripled since 1982. In addition the state's dungeness fleet has doubled. The one bright spot in the fishing numbers is the estimated groundfish catch for 1983. The groundfish catch has been doubling every year since 1980 and it appears when the final numbers are in it will have doubled in 1983.

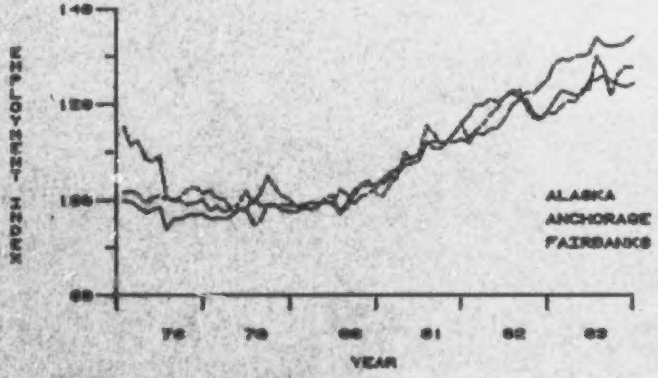
The early indications are, with the exception of the shellfish harvest, that 1984 will return to normal levels of employment in seafood processing. Salmon runs are expected to be strong although not as good as the past two years. The groundfish catch should continue to increase as resources are diverted from shellfish. With the poor prospects for a comeback of the shellfish industry over the next several years seafood processing employment will be off somewhat in the winter months but should remain strong from late spring to late fall.

BEST AVAILABLE COPY

UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED



ANCHORAGE/MATSU

By Greg Huff

Anchorage Employment: A Year in Review

Nineteen eighty three was another banner year in Anchorage. Nonagricultural wage and salary employment during the year averaged 103,950, an increase of 8.1% over the levels of the previous year. Record high construction activity levels combined with increasing population and personal income combined to add yet another year to the record books. Estimated valuation of building permits issued in 1983 topped 1 billion dollars compared to $563 million in 1982. The number of residential housing unit permits also reached new high levels, increasing 37% over the year. Population in the summer of 1983 was estimated by Municipal Planning to exceed 230,000, up from 174,400 in 1980. Total wage and salaries, a major portion of income, advanced over 12% from the first half of 1982 to the first half of 1983.

Mining

Mining employment fell in 1983 for the first time in over 10 years. Much of the loss was in the oil and gas industry although hard rock mining employment also fell. The losses in the oil and gas industry appeared in the first half of the year, but began to rebound in the second half. The layoff came as a result of a drop in drilling and oil field service activity on the North Slope.

Construction

The most vigorous employment growth rates in 1983 were in the construction industry with a 17.1% increase in jobs over 1982. The 1350 new construction jobs accounted for more than 15% of the total increase in employment from 1982 while accounting for less than a tenth of total nonagricultural employment. Private and public funds combined into an explosive force contributing to record construction activities ranging from residential to commercial and highway projects.

Trade

Wholesale and retail trade were both up significantly in 1983. The expansion of Northway Mall and the opening of several smaller malls created employment opportunities in retail trade. Big gains were realized in eating and drinking places, specialty stores (like apparel, accessories, sporting goods, grocery, and drug stores) and in firms that provide support to construction, particularly residential construction such as furniture, building materials, and hardware stores. Construction activities were also a large contributor to growth in wholesale trade.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 12/83	R 11/83	12/82	P 12/83	R 11/83	12/82	P 12/83	R 11/83	12/82	P 12/83	R 11/83	12/82
Alaska Statewide	208962	211395	210727	23016	21004	22218	11.0	9.9	10.5	185946	190391	188509
Anchoorage-Matsu Region ..	110019	110599	110193	9355	8452	9035	8.5	7.6	8.2	100664	102147	101158
Anchorage	98785	99523	99222	7450	6842	7439	7.5	6.9	7.5	91335	92681	91783
Matanuska-Susitna	11234	11076	10971	1905	1610	1596	17.0	14.5	14.5	9329	9466	9375
Gulf Coast Region..........	22001	22827	22031	3190	3010	3353	14.5	13.2	15.2	18811	19817	18678
Cordova	1155	1187	1139	148	126	139	12.8	10.6	12.2	1007	1061	1000
Kenai	11471	11742	11501	1886	1645	1984	16.1	14.0	17.3	9585	10097	9517
Kodiak	4801	5147	4818	506	622	553	10.5	12.1	11.5	4295	4525	4265
Seward	1593	1681	1635	252	268	303	15.8	15.9	18.5	1341	1413	1332
Valdez...................	2981	3070	2938	398	349	374	13.4	11.4	12.7	2583	2721	2564
Interior Region.............	27994	28599	28259	4212	4067	4361	15.0	14.2	15.4	23782	24532	23895
Fairbanks................	22855	23362	23075	3471	3367	3600	15.2	14.4	15.6	19384	19995	19475
Southeast Fairbanks	2227	2301	2199	283	295	245	12.7	12.8	11.1	1944	2006	1954
Upper Yukon	697	711	691	117	113	108	16.8	15.9	15.6	580	598	583
Yukon-Koyukuk...........	2215	2225	2294	341	292	411	15.4	13.1	17.9	1874	1933	1883
Northern Region	10237	10442	10116	1069	910	850	10.4	8.7	8.4	9168	9532	9266
Barrow-North Slope	2735	2797	2709	262	226	210	9.6	8.1	7.8	2473	2571	2499
Kobuk....................	3167	3274	3119	322	316	243	10.2	9.7	7.8	2845	2958	2876
Nome	4335	4371	4288	485	368	397	11.2	8.4	9.3	3850	4003	3891
Southeast Region...........	28984	28764	30464	4182	3587	3760	14.4	12.5	12.3	24802	25177	26704
Angoon	373	366	418	45	33	65	12.1	9.0	15.6	328	333	353
Haines	1018	997	1097	181	148	196	17.8	14.8	17.9	837	849	901
Juneau	10154	10153	10642	1151	1012	948	11.3	10.0	8.9	9003	9141	9694
Ketchikan	6108	6026	6448	891	730	831	14.6	12.1	12.9	5217	5296	5617
Outer Ketchikan..........	740	775	853	125	151	191	16.9	19.5	22.4	615	624	662
Prince of Wales...........	1443	1395	1454	295	230	218	20.4	16.5	15.0	1148	1165	1236
Sitka	4128	4144	4322	491	452	406	11.9	10.9	9.4	3637	3692	3916
Skagway	1585	1601	1539	372	370	233	23.5	23.1	15.1	1213	1231	1306
Wrangell-Petersburg	3435	3307	3691	631	461	672	18.4	13.9	18.2	2804	2846	3019
Southwest Region	9727	10164	9664	1008	978	856	10.4	9.6	8.9	8719	9186	8808
Aleutian Islands	2525	2661	2528	154	163	133	6.1	6.1	5.3	2371	2498	2395
Bethel	3113	3282	3091	339	360	289	10.9	11.0	9.3	2774	2922	2802
Bristol Bay Borough	344	370	351	31	40	35	9.0	10.8	10.0	313	330	316
Bristol Bay	1322	1363	1295	151	129	112	11.4	9.5	8.6	1171	1234	1183
Kuskokwim	887	901	846	131	104	82	14.8	11.5	9.7	756	797	764
Wade Hampton	1536	1587	1553	202	182	205	13.2	11.5	13.2	1334	1405	1348

P =Preliminary 1982 Benchmark

R =Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Anchorage Employment
1982-1983*

	1982	1983	% Change	# of jobs
Total Nonag.	96150	103950	8.1	7800
Mining	3550	3250	-8.4	-300
Construction	7900	9250	17.1	1350
Manufacturing	2250	2600	13.5	350
Food & Kindred	500	500	—	—
Other Manufacturing	1800	2100	16.7	300
Trans. Comm. & Utilities	8300	9000	8.4	700
Trucking & Warehousing	1250	1300	4.0	50
Water	300	350	16.7	50
Air Transportation	3350	3550	6.0	200
Other	3400	3850	13.2	450
Trade	22800	24900	9.3	2100
Wholesale	5400	5950	10.2	550
Retail	17400	18950	8.9	1550
General Merchandise	1650	1750	6.1	100
Food Stores	2400	2500	4.2	100
Eating & Drinking Places	6650	7250	9.0	600
Other	6750	7500	11.1	750
Fin.-Ins. & Real Estate	6350	6950	11.0	600
Services	21050	23050	9.5	2000
Government	23900	25000	4.6	1100
Federal	9850	10000	1.5	150
State	6150	6400	4.1	250
Local	7950	8600	8.2	650

* Numbers may not sum because of rounding.

Other Industries

Government employment grew 4.6% in 1983 with local government making the largest gains followed by state government and then federal government. Local government grew in both its education and non-education sectors as a result of increased service loads caused by the surging population. Federal government increases resulted primarily from the civilian military sector.

Manufacturing employment got a boost in 1983 from increases in those sectors related to construction activity such as lumber and wood products, and sand and gravel industries. Printing and publishing also grew substantially. Finance, insurance and real estate had an annual growth rate exceeding 10%, while transportation, communications and utilities grew 8.4%. Services grew at 9.5% with medical services, including hospitals, among the fastest growing service sectors. All services were impacted positively by the growing population and economic base.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P 12/83	R 11/83	12/82	CHANGES FROM: 11/83	 12/82
Nonag. Wage & Salary	104100	105150	97550	-1050	6850
Mining	3100	3200	3050	-100	50
Construction	8500	9500	7650	-1000	850
Manufacturing	2200	2400	2000	-200	200
Food & Kindred Products	300	350	250	-50	50
Other Mfg.	1900	2050	1750	-150	150
Trans. Comm. & Util.	8900	9600	8300	-100	600
Trucking & Whseing.	1300	1250	1300	50	0
Water Transportation	350	350	200	0	150
Air Transportation	3450	3550	3300	-100	150
Other Trans. Comm. & Utilities	3800	3850	3500	-50	300
Trade	26500	25800	24100	700	2400
Wholesale Trade	6150	6100	5650	50	500
Retail Trade	20350	19700	18450	650	1900
Gen. Merchandise	2000	1900	1850	100	150
Food Stores	2650	2250	2450	100	200
Eating & Drinking Places	7450	7500	6800	-50	650
Other Retail Trade	8250	8050	7350	200	900
Fin.-Ins. & R. Estate	7050	7050	6700	0	350
Services & Misc.	23000	23000	21450	0	1550
Government	25150	25500	24300	-350	850
Federal	10050	10150	9600	-100	450
State	6450	6600	6550	-150	-100
Local	8650	8750	8150	-100	500

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P 12/83	R 11/83	12/82	CHANGES FROM: 11/83	 12/82
Nonag. Wage & Salary	109700	111500	102600	-1800	7100
Mining	3150	3250	3100	-100	50
Construction	9200	10300	8350	-1100	850
Manufacturing	2000	2500	2100	-500	-100
Trans. Comm. & Util.	9400	9450	8750	-50	650
Trade	27550	27350	25050	200	2500
Fin.-Ins. & R. Estate	7300	7300	6900	0	400
Services & Misc.	24100	24050	22400	50	1700
Government	27000	27300	25950	-300	1050

FAIRBANKS/INTERIOR

By Neal Fried

The Year in Review

Fairbanks' employment grew for the third year in a row. Nearly all economic indicators were positive. Bank deposits and loans, building permits, airport and border activity, and employment all made gains. The Community Research Center estimates that the North Star Borough's population grew from 59,222 in 1982 to 65,311 in 1983. Wage and salary employment grew by 5%. The annual average employment level reached above 26,000, closing in on the levels of the heady pipeline years.

What kept the economy growing in 1983 was little different from the stimuli present in the two previous years. State spending remained strong in Fairbanks and in addition one of the largest North Slope sealifts in history signified robust activity on the Slope. Eielson AFB continued with its expansion. One factor which appeared to be different from previous years was the amount of private sector investment which took place in 1983. State spending provided the stimulus to push Fairbanks into the growth mode, and the private sector responded to this activity in a strong way.

Industry Profile

All of Fairbanks' industries either grew or remained at last year's levels. Construction and trade were responsible for the lions share of employment growth. Construction was the major beneficiary of state expenditures and North Slope activity grew by 20% in one year. Growth in this industry came from all sectors. Residential housing permits hit a high of 792 units, 26% above the 1982 high. This is largely as a result of the Alaska housing program, a growth in population and the construction of some large apartment complexes, particularly Wise's Sophie Plaza. This new construction has finally alleviated much of the severe housing shortage which has existed in Fairbanks during the past 2-3 years.

Commercial building construction also experienced a good year, largely benefiting from state and local capital projects. The list of building projects in excess of $1 million included the new Borough building, expansion of the University library and the Fairbanks Memorial hospital, new University dormitories and construction of the new North Pole high school. In the commercial sector, a number of projects were undertaken including the North Gate and Regency Court malls, renovation of the old Post office and a myriad of other smaller projects.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P	R		CHANGES FROM:	
	12/83	11/83	12/82	11/83	12/82
Nonag. Wage & Salary	26050	26700	24200	-650	1850
Mining	250	300	200	-50	50
Construction	2050	2400	1400	-350	650
Manufacturing	500	500	450	0	50
Trans. Comm. & Util.	2700	2800	2700	-100	0
Trucking & Whseing.	450	450	350	0	100
Air Transportation	550	550	550	0	0
Other Trans. Comm. & Utilities	1700	1800	1800	-100	-100
Trade	5700	5650	5050	50	650
Wholesale Trade	900	900	800	0	100
Retail Trade	4800	4750	4250	50	550
General Merchandise & Apparel	500	450	450	50	50
Food Stores	800	800	700	0	100
Other Retail Trade	3500	3500	3100	0	400
Fin.-Ins. & R. Estate	1050	1000	950	50	100
Services & Misc.	4950	4950	4950	0	0
Government	8850	9100	8500	-250	350
Federal	2650	2650	2400	0	250
State	3800	4000	3800	-200	0
Local	2400	2450	2300	-50	100

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P	R		CHANGES FROM:	
	12/83	11/83	12/82	11/83	12/82
Nonag. Wage & Salary	29150	30400	27600	-950	1850
Mining	400	450	350	-50	50
Construction	2100	2450	1450	-350	650
Manufacturing	500	500	450	0	50
Trans. Comm. & Util.	3450	3550	3450	-100	0
Trade	6100	6150	5400	-50	700
Fin.-Ins. & R. Estate	1100	1100	1000	0	100
Services & Misc.	5400	5350	5250	50	150
Government	10400	10850	10250	-450	150

Trade, the other large contributor to Fairbanks' employment expansion, grew by 10% in 1983. This came in response to a growing population, and increasing incomes. Fairbanks may also have lacked adequate retail trade establishments in the past and investors are now realizing this. Over the past three years the number of retail outlets has grown from 314 to 341. Two new malls were built in 1982 and other establishments expanded. The number of new eating establishments mushroomed in 1983. Presently trade employs 20% of Fairbanks' wage and salary workforce, compared to 17% a decade ago.

Government employment budged upward by 2.4%. Most of this growth came from increases in federal and state governments. Federal government grew slightly in response to the expansion taking place at Eielson AFB. State government employment growth came largely as a result of increases taking place at the University of Alaska as student enrollment continued to grow.

With the exception of the layoffs, which took place at the North Pole Refinery and Alascom, there was little on the negative side in 1983. The loss of 85 full time, well paid, nonseasonal jobs at Alascom was a blow, particularly to the individuals affected, but these numbers will hardly affect Fairbanks' total wage and salary workforce.

Unemployment

Fairbanks' unemployment rate did not respond to the growth in employment. The preliminary unemployment rate for 1983 of 14.8% actually tops 1982's rate of 13.8%. The continued in-migration of job seekers is partially responsible for this. What also contributed to this higher rate, though it may appear somewhat of a paradox, is the large amount of construction which has been taking place during the past 2 years. Construction employment, which is a larger share of total employment, has meant that when the end of the season arrives more people are laid off, pushing the unemployment rate upwards. It is important to realize that seasonality is also a major contributing factor to the unemployment rate and not soley attributable to a lack of jobs.

Fairbanks' labor market did remain competitive despite the growth which has been taking place. The growth, however, has created a fluid, dynamic job market, making it easier for a first-time job seeker to find employment and making it easier for an employed person to find another job.

GULF COAST

By Neal Fried

Year in Review

In 1983 the Gulf Coast region shared economic prosperity with most of the remainder of the state. Employment growth was the norm in the region's communities. The region added more than 1,000 wage and salary jobs in 1983. Economic indicators such as building permits, employment and population all trended upwards. Wage and salary employment moved above 19,100, exceeded only once in the region's history-1975, a pipeline year.

The major source of this growth continues to be tied to the State's oil revenues. Alaska's oil revenues provide the fuel needed to push these communities employment levels upward. State funding in the form of subsidies, capital projects, contracts and government employment provide the base of this growth. In response many secondary industries have expanded. Fishing, refining, and oil and gas production have contributed little or no stimulus to this growth. The only other industry which provided some push to the economy in 1983, was tourism.

Industry Profile

Most of the region's industries either remained at 1982 levels or grew. The only exception was in mining where employment declined as a result of the shrinking oil reserve in the Kenai oil fields. The industries which experienced the largest gains were construction, services and trade.

Construction employment grew by 14% in 1983. During the past 3 years firms producing brick and mortar have been the biggest beneficiary of state dollars. Residential construction enjoyed an exceptional year partly as a result of subsidized home loans. The number of building permits grew in Cordova, Homer, Kenai, Seward and Soldotna. The combined permits of these communities increased by 51% over year-ago levels. Kodiak and Valdez were the two communities where permits used were below 1982.

Building construction also experienced a banner year. All of the multi-million dollar local and state projects are too numerous to list here, but a sample of these projects include the Terror Lake dam in Kodiak, dock construction in Cordova, Seward and Homer, completion of the Central Peninsula Sports Arena, and the expansion of two hospitals and an airport. A large number of building projects in the private sector took place, including the new Safeway store in Soldotna, a couple of new hotels and a variety of larger and smaller office buildings and shopping centers throughout the region, particularly on the Kenai Peninsula.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P	R		CHANGES FROM:	
	12/83	11/83	12/82	11/83	12/82
Nonag. Wage & Salary	17450	18300	16800	-850	650
Mining	750	750	700	0	50
Construction	1450	1800	1150	-350	300
Manufacturing	1800	2250	2300	-450	-500
Food & Kindred Products	1050	1450	1600	-400	-550
All Other Mfg.	750	800	700	-50	50
Trans. Comm. & Util.	2150	2100	2150	50	0
Trade	2950	2950	2650	0	300
Wholesale Trade	400	350	350	50	50
Retail Trade	2550	2600	2300	-50	250
Fin.-Ins. & R. Estate	500	500	450	0	50
Services & Misc.	2950	3050	2650	-100	300
Government	4900	4900	4750	0	150
Federal	500	500	500	0	0
State	1500	1500	1400	0	100
Local	2900	2900	2850	0	50

The service and trade industries benefited from the growth in population and income. Both also enjoyed a boost from an excellent tourist season in 1983, particularly the Kenai Peninsula which played host to what was probably record numbers of Anchorage residents and large numbers of out-of-state visitors. New retail outlets and new eateries dotted the landscape of the region.

In spite of the disasterous king crab season in Kodiak and the region's poor shrimp harvest, fish processing employment, the region's largest private sector employer, did budge upward slightly (100 jobs). This was a result of a good salmon harvest in Bristol Bay. The largest haul in history kept Gulf Coast processors busy. In the past few months fish processing numbers have been below 1982 levels because of the vanishing king crab stocks.

Government employment grew by 5%, mostly on the local level. Local government had to react quickly to a growing population by hiring additional school staff and other local government employees. State employment did not react quite as strongly, only adding on a minimal number of jobs. The single largest addition was 70 new employees at the new Wildwood jail in Kenai.

Unemployment

Increased employment did push the region's preliminary annual unemployment rate down by 1 percentage point to 13.1% in 1983. This, however, remains above the state's rate of 10.1%. In-migration of job seekers remained strong in 1983. Seasonality has also kept the rate high. Some of the growth which has taken place has provided additional nonseasonal year-around jobs. It has also increased the number of seasonal jobs, construction more than any other industry. The numbers indicate that in spite of hefty growth in the labor force, competition in the job market remains strong in the region, particularly during the non-summer months.

SOUTHEAST ALASKA

By John Boucher

Sitka Employment: 1980-1982

For the past two months the Southeast article has focused on a smaller geographic area within the region. Updated actual counts were recently made available for the census areas within Southeast Alaska. This month the Sitka census area will be discussed.

The Sitka census area is conterminous with the City and Borough of Sitka. The Sitka Borough includes all of Baranof and Kruzof Islands and a portion of Chichagof Island roughly south from Tenakee Inlet on eastern Chichagof and Lisianski Strait on the western part of the island. As of July 1, 1982 the Sitka census area population was 8,223, 5.3% higher than in April of 1980. In terms of population, the Sitka census area ranked 11th in the state out of 23 census areas.

From 1980 to 1982 statewide nonagricultural employment grew 17%. The Sitka employment picture was not quite so bright during these two years. Sitka employment decreased 8.1% from 1980 to 1982, all of the decrease occurring from 1981 to 1982. The reasons for the decline are two-fold. Sitka's wood products industry, the area's largest employer, has fallen on hard times. Also, federally subsidized jobs that were available through the CETA program were cut back severely leaving the finance, insurance and real estate sector with 245 less jobs than in 1980.

Sitka manufacturing employment is dominated by one industry; lumber and paper products. Economic events outside of the Sitka economy have made their presence felt in the form of less lumber and paper products employment. Falling Japanese housing starts, a decreasing price for Alaskan pulp due to a worldwide glut of competing petrochemical products, and a strengthening of the U.S. dollar in comparison to the Japanese yen have all contributed to the difficulties being faced in the Alaskan wood products industry. Softer markets brought increasing competitive pressures for Alaskan producers and decreased employment was the result. Since 1980, employment in Sitka's lumber and paper products industry dropped 30%. This translates into 228 fewer jobs. Sitka manufacturing employment would have dropped even more from 1980 to 1982 but seafood processing posted a strong increase in employment from 1980 to 1981, largely offsetting the lumber and paper products industry decreases for that year.

Another reason for the decline in employment was the discontinuance of the Comprehensive Employment and Training Act (CETA) funding that was provided to native organizations prior to September 1981. The Sitka Community Association and Tlinget-Haida Regional Council were

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P	R		CHANGES FROM:	
	12/83	11/83	12/82	11/83	12/82
Nonag. Wage & Salary	27200	27550	26800	-350	400
Construction	1550	1850	1550	-300	0
Manufacturing	2700	3000	3100	-300	-400
Food & Kindred Prod.	750	800	850	-50	-100
Lumber & Paper Prod.	1700	1950	2050	-250	-350
All Other Mfg.	250	250	200	0	50
Trans. Comm. & Util.	1950	1850	1900	100	50
Trade	1550	1450	1200	100	350
Wholesale	350	350	300	0	50
Retail	1200	1100	3900	100	300
Fin.-Ins. & R. Estate	1050	1000	1050	50	0
Mining, Services & Misc.	3850	3850	3650	0	200
Government	11550	11550	11350	0	200
Federal	2200	2250	2150	-50	50
State	5250	5250	5300	0	-50
Local	4100	4050	3900	50	200

Sitka Nonagricultural Wage and Salary Employment
1980-1982

	1980	1981	1982	% Change 1980-1982
Total Nonagricultural	3746	3765	3442	-8.1
Mining	0	0	0	—
Construction	244	309	274	12.2
Manufacturing	810	814	679	-16.2
Lumber and Paper Products	750	637	522	-30.4
Trans. Comm. & Pub. Utils.	256	273	280	9.4
Trade	443	467	479	8.1
Wholesale	34	36	35	2.9
Retail	409	431	444	8.6
Fin.-Ins. & Real Estate	314	199	69	-78.0
Services & Misc.	507	526	541	6.7
Government	1172	1177	1120	-4.4
Federal	601	576	514	-14.5
State	204	222	230	12.7
Local	367	379	375	2.2

eligible for entitlements under CETA which funded nearly 200 jobs. The jobs were funded by the federal government and administered by the local native associations. All of the jobs were intended to enhance public service agencies, but there was no one particular function that these jobs served. Employment ranged from a receptionist for a hospital to cleaning up local parks, but they were all counted as employed in a native corporations holding company which fall into the finance, insurance, and real estate category. When funding was stopped, this category took a tumble as employees were let go.

Excluding these two dramatic drops in employment, the economy of the area does not seem to be in a decline, but rather showed steady growth from 1980 to 1982. Construction employment grew very strongly in 1981 and then moderated a bit in 1982. Trade, transportation and services posted steady growth during the period, all growing faster than the increase in local population. Government employment followed the same pattern that it exhibited in many other areas during the past two years, increasing in state and local government sectors coupled with decreasing federal government employment.

The short term outlook for Sitka employment is a difficult one to determine. No doubt a strengthening of the wood products industry would be a boost to the Sitka economy. In the short run, however, this does not seem a likely occurrence. The competitive nature of the wood products industry will continue to put pressure on the Sitka wood products industry to cut costs. The most recent indication of this was the seeking of a variance to Environmental Protection Agency water pollution standards by Alaska Lumber and Pulp (ALP) for its pulp mill. ALP recently hinted that a shutdown of the mill is a possibility should the variance not be granted. A pickup in demand would also help the industry, but Japanese housing starts in 1983 did not share in the upward momentum of the Japanese economy. Overall, 1983 housing starts were expected to stay at the lower levels of 1982. The question that remains is how the Sitka economy will perform if the wood products industry remains in its currently depressed state. If 1981 and 1982 are any indication, the future of the city does not look glum. If growth can be achieved in other areas of the economy to offset the declining wood products industry, Sitka's economy would become more resiliant to outside events that affect the economy of the local area.

HOURS AND EARNINGS

By Kathryn Lizik

With most industries winding down activity for the winter, November's statewide hours and earnings did not show any unseasonable changes. All industries experienced declines in their average weekly hours with the exception of transportation, communication and utilities. Drops ranged from as much as 17% in food and kindred products, to 2% for mining, lumber and paper products, and retail trade.

Corroborating many statewide reports citing seasonal layoffs, construction's average hourly wage fell 6% from October to $23.54, and the average weekly hours fell 4% to 39.3. Compared to a year ago, construction weekly hours were up 8% and average weekly earnings were up 7% even though average hourly wage dipped a slight 1% from the $23.77 level held in November of 1982.

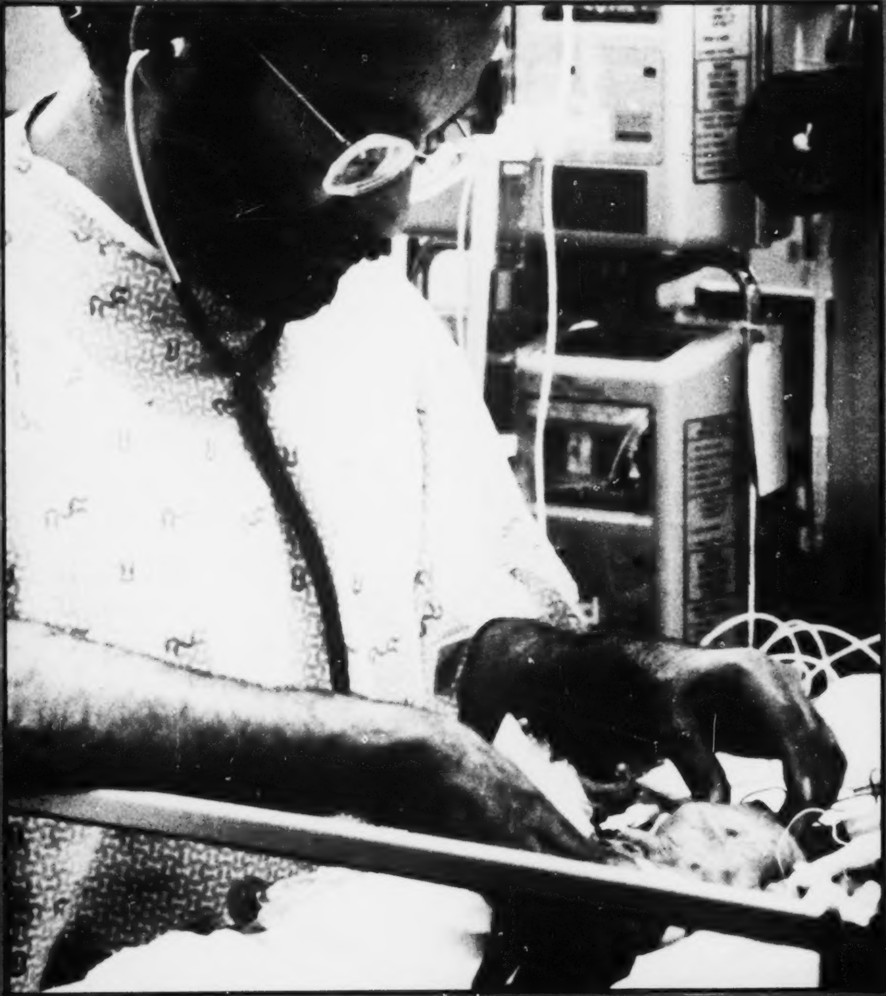
The average weekly hours of the food and kindred products section of manufacturing continued its downward spiral dropping 17% from October. This was also 6% lower than a year ago reflecting the ever worsening condition of the winter crab season. The hourly drop in turn affected weekly earnings which fell 13% to $153.55 even though average hourly earnings rose 5% to $9.14. Most fish processing plants do not expect any increased activity until after the first of the year.

3/19/84   S0320-1   A

MARCH 1984

ALASKA ECONOMIC TRENDS

Alaska Department of Labor   Bill Sheffield, Governor, State of Alaska



1   Job opportunities in Alaska's Health Care Industry Part II

ALASKA ECONOMIC TRENDS

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Funded by:

March 1984
Volume 4
Issue 3

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to **ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.**

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

JOB OPPORTUNITIES IN ALASKA'S HEALTH CARE INDUSTRY PART II

By Neal Fried and Greg Huff

Health care is presently one of the most dynamic industries in the nation. It has caused so much excitement that Wall Street speculators refer to it as the "health care boom". This excitement has come as a result of new technology, new ways of delivering health care, heightened health consciousness among the population, an emphasis on preventative medicine, changing demographics, and the creation of new health care occupations. Alaska is playing a part in these changes, which are not only taking place in the State's urban areas but are being felt in many of the rural areas of the State.

This article is Part II of a two-part series on employment opportunities in Alaska's health care industry. Part I (December 1983 issue of *Alaska Economic Trends)* focused on the opportunities in hospitals, acute care, and long term health care facilities (nursing, mental health, and the handicapped). Part II will emphasize health occupations found in noninstitutional health care facilities, such as clinics, private practices, and a variety of other out patient health centers. These would include private (profit and nonprofit) and government sponsored medical centers. In some cases the occupations discussed can be found in both institutional and noninstitutional health care settings and have already been covered in Part I.

In 1983 there were approximately 4,000 jobs in this sector of the health care industry. This is more than double the number present a decade earlier. Employment in this industry has grown more rapidly than overall employment in the both the U.S. and the Alaskan economy. There were approximately 573 health care establishments in Alaska in 1983 providing outpatient health care. They varied from a physician's private practice to large clinics, birthing centers, or drop in emergency centers. Some health establishments, such as birthing centers and drop in emergency centers, were nonexistent five years ago in Anchorage. Outpatient surgery is also growing in Alaska. It is estimated that 40% of all surgery may eventually be performed outside of the hospital.

Some of the occupations are also relatively new, such as the nurse practitioner. In 1980 there were 16 nurse practitioners in Alaska and today there are 73. The growth rate of nurse practitioners is no exception. The number of physician's assistants have more than doubled during the past three years and the number of physicians has grown by more than 100. The demand for people with health care skills definitely exists. The supply of people with these skills varies and this is, ultimately, what determines whether job opportunities for new entrants in the field will exist.

Major Job Opportunities

As in any field, job opportunities in health care are determined by the supply of and demand for people with particular skills. Supply and demand for employment in Alaska's health care industry is influenced by fluctuations in economic activity, population changes, labor force characteristics, health care funding, replacement needs, locally available training and working conditions.

Demand for health care jobs in Alaska is strong at present and it will continue to be strong in the future. Population is growing, the number of older people is increasing, insurance coverage is more widespread, and health care consciousness has risen. In addition, increased government and native corporation health care funding has increased the demand for health care by residents in the rural portions of the state. Growth of this industry in Alaska is part of a nationwide trend. According to a recent U.S. Department of Labor publication "...health care will continue to be an expanding field of work into the 1990's. Reflecting growth in expenditures for health services, occupations in the field will be among the fastest growing." Even if little growth were to occur, replacement needs create opportunities. The industry lends itself to high turnover in some occupations because of the type of work performed and the odd hours many of these people are required to work. This is compounded in Fairbanks and Anchorage by the military rotation system as many of the employees in this industry are spouses of servicemen.

The supply side in Alaska is determined by locally available training programs and in-migration of people with skills needed in this indsutry. Local training is available in some fields but for many occupations in this industry the necessary education must be acquired outside Alaska. During recent years the number of health personnel has grown rapidly, but geographic distribution remains a problem. Health workers are concentrated in the heavily populated and prosperous areas. Although health care is improving in rural areas because of government and private programs, many areas do not have the population base or services to support many of the desired medical services.

Given expansion of the industry and turnover, good job opportunities exist in many of the health fields in Alaska. There are shortages of skilled personnel for some health occupations in the industry while other occupations are in a balanced or slight over supply situation. Alaska's experience mirrors the nation's in many ways. When there is a national shortage in a particular field then the shortage is greater in Alaska, and when there is an oversupply nationally there will likely be an over supply in Alaska. The job opportunities for all occupations represented in this industry are different. These differences will be discussed in the remainder of the article.

Dental Occupations

Dentist: Job opportunities for dentists has been very good in the state, particularly in the urban areas. However, in the larger urban areas, such as Anchorage, Fairbanks, and Juneau the demand/supply situation has improved causing increased competition. In the smaller yet growing communities, there is stronger demand than supply, but in many cases the population base is too small to warrant a full time position, particularly for specialized practices such as orthodontics or oral surgery. The rural portions of the state are experiencing a similar phenomenon where there may exist a strong demand for dental services but the population base and support industries do not exist to support a dentist. It is estimated by the Alaska Dental Association that a population of 2,000 is needed to support a full time dentist. The dental needs in the rural areas are being met through various programs by the U.S. Public Health Service.

Nationally, dental school enrollment has grown in recent years. and the number of new dentists is expected to shift from a balance situation to a slight oversupply in the late 1980's and early 1990's. Because of the recent increase in competition and the increasing cost of opening a practice, new dentists are forming group practices or may work for a dentist until they can gain a grubstake to start their own practice. Also a new developing trend is for dentists to become more generalized instead of specialized, so the dentist can perform more duties in light of increased competition.

Dental Hygienist: Generally, hygienists clean and polish teeth and instruct patients in proper oral hygiene. The outlook is good though competitive because of the rise in the number of graduates from schools of dental hygiene. Opportunities are best when looking for part time work. Full time work usually consists of working part time for several dentists.

Hygienists graduating from schools in Alaska have an advantage over hygienists new to the state because of the contacts the schools maintain to assist graduates in placement. The Anchorage Community College reports a very high placement rate. The hygienist relieves dentists of many routine tasks, thus "streamlining" the dentists operations. With mounting competition among dentists the need to streamline may diminish as the dentist perform the task themselves. Offsetting this is the trend of forming group practices which should result in additional jobs for hygienists. Also, the increasing social consciousness concerning oral hygiene is good news for the hygienist.

Dental Assistant: Dental assistant tasks range from attending the front desk to assisting the dentist in treatment. Employment outlook is good to excellent, especially for graduates of academic programs for dental assistants. Turnover plays a major role in creating a positive job outlook. Opportunities are not only good in urban centers, but also in the rural portions of the state through various Public Health programs.

Medical Occupations

Medical Doctors: Doctors work in private practice, in public health programs and for the military. The employment outlook is favorable although the shortage of physicians, except for rural areas, is a thing of the past. The opportunities vary geographically within the state with the larger urban areas being more competitive than the smaller urban areas and rural regions. Some areas are unable to support a full time position. There is, however, a shortage of physicians specializing in obstetrics and to a lesser degree pediatrics.

Opportunities arise because of increasing population and replacement needs. However, in Alaska, replacement needs, particularly due to retirement, are low. Retirement in the lower 48 is a large factor in creating job opportunities, but in Alaska retirement is extremely low because the average age of physicians is very young. Nationally, medical school enrollment has increased in recent years causing increased competition among doctors. This in combination with sky rocketing cost of equiping a modern medical office have encouraged doctors, at an increasing rate, to turn to group practices. As one doctor stated, "the solo practice has priced itself out of the market."

Nurse Practitioner: The nurse practitioner is an R.N. who with additional training allows them to act more independently. Many work in doctors offices, their own office, clinics and in rural areas. This occupation is relatively new and has come about largely in response to a shortage of doctors in the 60's and 70's especially in rural areas of the state. Occupational opportunities are fairly good though only a small number of jobs exist in the state. Although the outlook is good it will depend to a large extent upon the use of nurse practitioners by doctors to streamline their offices. The expected oversupply of doctors in the future may limit the opportunities. Another factor for growth is the extent they will be used in the rural areas of the state.

Physician Assistant: The physician assistant (P.A.) came into being in the 1960's, when doctors were in short supply. The idea was to use a number of Medical Corpsmen, trained in the Vietnam conflict, to help solve the medical services shortage. Additional training enables these medics and other medically trained people to become P.A.'s. The demand/supply situation is balanced but the increased use by physicians and their use in rural areas could brighten the outlook. On the other hand the increased number of doctors could lead to lower patient loads for physicians thus lessening the demand for P.A.'s. Sparsely populated areas will always have trouble attracting full-time physicians and the P.A. services in those areas will remain an important contribution to health care.

Paramedic: The job outlook is very competitive for paramedics because of the large number of people that find it an attractive occupation and the relatively small number of jobs. The person with paramedic training will have an advantage over a nonparamedic in some job openings, particularly at remote sites.

Medical Assistant: Medical assistants work for physicians in capacities ranging from reception to preparing medical records and performing some examinations. In many offices they are the "Jack-of-all-trades". Job outlook is good for both part time and full time positions. Job openings occur due to turnover, which is fairly high, and the arrival of new doctors to the state. Some physicians will provide training while others like some type of experience such as nursing or graduation from a formal medical assistant program.

Health Aide: The health aide is a unique occupation to Alaska's health care. The health care aide must be a local person of a predominately native village who is chosen by the community. The aide performs examinations, treats emergencies, dispenses medication, and handles a number of other health care needs of the local residents. Formal training is provided and physician supervision is available via radio. Job opportunities across the state are good to excellent. Turnover is high due to a very heavy work load and being on call 24 hours a day.

Medical Social Worker: Social workers are community and individual trouble shooters. Through direct counseling or referral to other services they help individuals, families, and groups cope with personal problems. Some may specialize in medical health or alcohol and drug abuse. Job outlook varies depending on the geographic region of the state. A shortage exists in some rural areas and is balanced to oversupply in the urban communities. The outlook is competitive in Anchorage as there are more job openings in Anchorage because of the size of the communitiy. The outlook depends on the amount of financial aid from governmental units. One way to gain entry is to volunteer with an agency or take a clerical position while waiting for social work positions to become available.

Optometrist: Optometrists examine eyes and prescribe corrective lenses or treatment to protect and improve vision. The demand/supply situation is balanced edging towards oversupply in Alaska, particularly in Anchorage. A recent influx of optometrists to the state has caused this fairly competitive situation. Nationally, the outlook is fair with the expected number of graduates from the nation's 16 schools of optometry to be roughly equal to the number of positions that arise from growth in demand for vision care and replacement needs due to turnover and retirement.

Optician: Opticians fit and adjust eyeglasses and/or contact lenses according to prescription written by an Optometrist or Ophthalmologist. They do not examine eyes or prescribe treatment. The job outlook is competitive with a slight oversupply of opticians, particularly in Anchorage. Prospects for growth are tied to local population growth in various areas of the state. Training and knowledge of the latest technologies is important to establish a successful practice. Also to be competitive an optician should be certified in eye glasses and contact lenses. Nationally, the long term outlook is good due to a growing and aging population. Older persons require more vision care. Also increased public awareness of good eyesight combined with increased coverage of services under insurance programs will increase demand for opticians.

Chiropractor: Chiropractic is a system of treatment based on the manual manipulation of parts of the body, especially the spinal column. A recent influx of chiropractors into the state in the last three years has caused a balanced to oversupply situation, particularly in Anchorage. Demand for chiropractors is related closely to public acceptance of the profession which has increased over the years. Enrollments in chiroprator colleges have grown dramatically in recent years which is likely to cause more competition. Because of increased competition the clinic setting and group practices are on the rise.

Training and Educational Opportunities

Education and training needs vary from occupation to occupation, but most health care jobs require formal education ranging from several months to a decade. Many jobs require a degree or certificate from an accredited school. In Alaska, education and training opportunities are provided through the University of Alaska system including the campuses in Fairbanks and Anchorage, its 11 community colleges throughout Alaska, correspondence courses and Rural Education Centers. Although education opportunities may not be available in your local area or in state, credits completed through local programs may be transferred to other Alaskan schools or to outside colleges and universities which provide the appropriate education and training.

Qualified Alaska residents may take advantage of various financial aid and other assistance programs. The WICHE Exchange Program (Western Interstate Commission for Higher Education) helps Alaska residents obtain access to professional education not available in the state. Participants pay a reduced out of state tuition. The state reimburses the participating institution where the WICHE student enrolls for the nonresident portion of the tuition, plus a portion of the institution's operating cost. The student does not receive any direct payment. For more information, contact the Alaska Commission on Postsecondary Education, Pouch FP, Juneau, Alaska 99811.

The Alaska Native Health Care Program through the University of Alaska Rural Education Centers provides short term traineeship programs for minority high school and college students pursuing a career in medicine. For more information contact the Office of Personnel Management with the federal government or the local Public Health Service facility.

COSTEP (Commissioned Officer Student Training and Exchange Program) provides the qualified college nurse and physician student subsidized education in exchange for service with the Corps of Public Health Service as commissioned officers. For more information contact the Office of Personnel Management with the federal government or the local Public Health Service facility. The military also provides some training opportunities for various technical fields. Nurses, doctors and other professionals must have credentials before enlistment. For more information contact your local armed forces recruiter.

Dentist: To become a dentist, three years of college, and in most cases an undergraduate degree, is a prerequisite. Some emphasis should have been placed on the sciences in the undergraduate course of study. It is important to perform well on the undergraduate level as entry into a dentistry school can be very competitive. Dental school will typically last 4 years. The closest program to Alaska is at the University of Washington.

Dental Assistant: The Anchorage Community College has a 2 semester program and 6 weeks of practicum to become a certified dental assistant. One semester of prerequiste work is also necessary, which can be fulfilled elsewhere. An Associate degree is also available.

Dental Hygienist: The Anchorage Community College offers an Associate degree in dental hygiene. Some of the precourse work may be taken on campuses elsewhere in the state. The total program, including 1 year of prerequisite classes, lasts approximately three years.

Medical Doctor: In almost all cases four years of undergraduate school is necessary before entering medical school. Regardless of what a persons undergraduate degree is, it is imperative to achieve very high academic standings. One year of biology and physics, and one and one half years of chemistry is often a prerequisite. This training can be obtained at any of the University of Alaska four-year campuses. Alaska does have a medical school program known as the WAMI program (Washington, Alaska, Montana, and Idaho). The state of Alaska buys ten medical school positions at the University of Washington Medical School for state residents. If accepted into this program, the student spends his first year of medical school at the University of Alaska, Fairbanks, and the remaining three years at the University of Washington. The student's clinical work can be performed in Anchorage and Ketchikan during the last 2 years of medical school. Once medical school is completed, three more years of residency is typically necessary to become a practicing doctor. The WAMI program is highly competitive. In this year's program there were 57 applicants for 10 positions. A person can, of course, apply to any of the other medical schools throughout the country.

Nurse Practitioner: A person must first be a registered nurse (see December *Alaska Economic Trends*). A Master level nurse practitioner program is

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1 2

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 11/83	r/ 10/83	11/82	p/ 11/83	r/ 10/83	11/82	p/ 11/83	r/ 10/83	11/82
Mining	$24.45	$23.21	$24.49	49.2	50.4	50.6	$1202.91	$1169.78	$1239.19
Contract Construction 3	23.54	25.03	23.77	39.3	40.9	36.5	925.12	1023.73	867.61
Manufacturing	15.01	15.13	14.83	28.8	30.9	30.7	432.29	467.52	455.28
Food & Kindred Products	9.14	8.73	8.83	16.8	20.3	17.8	153.55	177.22	157.17
Lumber & Paper Products	18.01	18.53	16.66	39.3	40.2	38.8	707.79	744.91	646.41
Trans. Comm. & Utilities	15.76	16.44	15.09	37.3	37.1	38.2	587.85	609.92	576.44
Trade	10.26	10.17	9.67	34.5	35.7	34.4	353.97	363.07	332.65
Wholesale	12.20	12.15	11.10	36.8	39.4	37.4	448.96	478.71	415.14
Retail	9.50	9.33	9.10	33.7	34.3	33.3	320.15	320.02	303.03
Fin.-Ins. & Real Estate	—	—	—	—	—	—	339.79	348.13	371.98

1 Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2 Excludes eating and drinking establishments

3 Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

available at the University of Alaska, Anchorage. This program requires a person to have a Bachelor's degree in nursing before being accepted. There are programs elsewhere in the country which will accept RN's without a Bachelor's degree. These type of programs are being phased out, and the Master route is becoming more popular.

Physicians Assistant: Two years of college training, and/or 2 years of health related experience is usually a prerequisite before being admitted into a formal physicians' assistant program. A Bachelor's degree is sometimes necessary and is becoming necessary in more programs. The programs vary from one to four years. The more health experience and college the better because the competition to enter these programs is keen.

Paramedic: A person must first be a certified Emergency Medical Technician to qualify as a paramedic candidate. This requires that a person completes the 81 hour program designed by the U.S. Department of Transportation. Training is available through health departments, volunteer fire departments, emergency medical clinics, and other volunteer groups. To qualify to become a paramedic, a person must attend a paramedic school outside of the State. This program typically lasts from six months to a year. The closest program is at the University of Oregon, Portland.

Health Aide: Health aides are in a unique position as they are chosen for the jobs before they are trained. The overall basic training period can take up to 18 months with a mix of practical and formal training provided; most of it taking place in the village. Training is, however, continuous throughout an aide's career.

Medical Assistant: Medical assistants obtain formal training at programs which last from 6 months to a 2 year Associate degree. Some medical offices will provide on-the-job training. The Anchorage Community College has a 2 year Associate degree program.

Medical Social Worker: Training for a medical social worker is varied. This is particularly true for social workers in the mental health fields. There are social workers with no formal training and there are many with Masters degrees. On the physical health side, a Bachelor and Master degree is usually necessary, but in mental health social work there is a real variety of requirements. There is a similar program for social aides as there is for health aides. There are Associate, Bachelor, and Master degree programs in Alaska. ACC and TVCC have Associate degree programs in social work and related fields. The University of Alaska Anchorage has the only accredited Bachelor of Social Work program. The University of Alaska Fairbanks does have a BA degree in Sociology, with an emphasis in social work, and hopes to have an accredited program within the year. Fairbanks also has a Master level program in community counseling.

For a person who wishes to pursue social work as a career, it is recommended to attend a Bachelor or Master level program. Without these credentials, a very large percentage of the job opportunities in this field will be beyond a persons reach.

Optometrist: A college degree, with an emphasis in the sciences, is almost always a prerequisite before attending an optometry school. The University of Alaska, Fairbanks has a three year preoptometry course of study. In rare cases a person can attend optometry school after two years of college. Competition is stiff to enter optometry school and its duration is four years. There is no optometry school in Alaska. The closest school is the University of California at Berkeley.

Optician: Alaska has a 3 year apprenticeship program under a certified optician. One can attend an optician school for an Associate degree (2 years) and work under an optician for a year to be certified. The Associate degree route is recommended because a graduate of one of these programs will have a variety of skills.

Chiropractor: A person typically needs a minimum of two years of college work, with an emphasis in the sciences, before attending a four year chiropractic college. The prechiropractic course work can be taken on many of Alaska's college campuses. There is no chiropractic college in Alaska. The closest college is located in Portland, Oregon.

As the health care field continues to expand, new occupations and nontraditional occupations will continue to grow. The changes mean increased and improved care for the both the rural and urban areas. For additional information about medical and other occupations contact the Alaska Department of Labor, Research and Analysis.

ALASKA

By Ed Eboch

With the holiday season behind and the impact of winter weather affecting many activities statewide, nonagricultural employment continued its normal seasonal decline in January. All areas of employment dropped with the exception of mining. Typically, the oil industry increases employment after year end. Total employment declined to 198,504, a drop of 3.6% from December, but still well above January 1983. After a record year, construction employment continued to adjust to more normal levels, dropping 13.8% December to January. Manufacturing also dropped significantly as seafood processing and troubled forest products firms reduced employment in these industries. Not uncommon, when record levels of employment are reached unemployment also rises, especially as seasonal layoffs occur. The unemployment rate for January reached an all time high of 13.3%.

Forestry

The continuing world recession, which started in 1981, and high interest rates have created a number of problems for the forest product industry. The recession in the U.S. reduced U.S. demand for wood products. This resulted in an oversupply situation which forced down U.S. prices. At the same time, reduced demand from foreign markets, especially Japan, and unfavorable exchange rates priced Alaska wood products out of the Far East market. As prices and sales were declining, costs continued to escalate. U.S. Forest Service fees, regulatory and environmental constraints, and wage increases all contributed to higher costs of harvesting and processing Alaska timber. The result is Alaska wood products that are uncompetitive on world markets with Canadian wood products.

This loss of employment in the timber industry is important beyond just those directly employed. Unlike the other seasonal base industries, the wood products industry is more successful in creating secondary and tertiary jobs. For every job lost in forestry, 2 to 3 jobs are eventually lost in other sectors of the Alaska economy.

Alaska Timber Industry
Average Annual Employment

	1983*	1982	1981	1980	1979	1978
Logging	1046	1176	1129	1354	1221	1021
Sawmills	454	642	764	930	766	631
Other Wood Products	253	244	286	185	151	158
Pulp & Paper	751	820	985	1044	1012	1051
Total Lumber & Pulp	2504	2832	3164	3513	3150	2861

* Based on six months actual data and six months sample based estimates.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
ALASKA

	P/ 1/84	R/ 12/83	1/83	CHANGES FROM: 12/83	 1/83
Nonag. Wage & Salary	198700	206200	189400	-7500	9300
Mining	8200	7700	8100	500	100
Construction	14800	17200	13700	-2400	1100
Manufacturing	6600	7800	7000	-1200	-400
Food & Kindred Prod.	2300	3000	2600	-700	-300
Lumber & Paper Prod.	1600	2000	1700	-400	-100
All Other Mfg.	2700	2800	2700	-100	0
Trans. Comm. & Util.	17300	17700	17000	-400	300
Trucking & Whseing.	2100	2000	2100	100	0
Water Transportation	1200	1400	1000	-200	200
Air Transportation	5400	5500	5100	-100	300
Other Trans. Comm. & Utilities	8600	8800	8800	-200	-200
Trade	42100	44400	37500	-2300	4600
Wholesale	8000	8100	7400	-100	600
Retail	34100	36300	30100	-2200	4000
General Merchandise & Apparel	5000	5600	4500	-600	500
Food Stores	5800	6100	4900	-300	900
Eating & Drinking Places	11200	11900	10300	-700	900
Other Retail Trade	12100	12700	10400	-600	1700
Finance-Ins. & R. Estate	10600	10900	9800	-300	800
Services & Misc.	37200	37700	36200	-500	1000
Government	61900	62800	60100	-900	1800
Federal	17400	17800	17300	-400	100
State	18200	18700	18300	-500	-100
Local	26300	26300	24500	0	1800

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes premilinary estimates.

R/ Denotes revised estimates.

With the U.S. economy recovering, housing starts are up and demand for wood products has increased. As the U.S. economy continues to improve, Canadian products will be diverted from the world market to the U.S. markets. With world economic conditions improving prospects for the Alaska lumber products industry should also improve.

Annual Revision of Nonagricultural Employment Estimates

Each January, nonagricultural employment estimates are revised for the preceeding year by a procedure referred to as "benchmarking". The revised employment estimates for 1983 have just been completed. The monthly estimates of employment published in *Alaska Economic Trends* are based on a sample of employers. The most comprehensive count of employment is based on unemployment insurance tax reports, commonly referred to as 202 data. There is a six to nine month lag in collection and publication of this information. As a result, monthly employment is estimated from a sample of firms willing to participate in the Current Employment Statistics (CES) program. The willingness of firms to provide these data make possible reliable estimates of nonagricultural employment on a timely basis. We would like to extend our appreciation to those firms that participate in the CES program.

The revised employment estimates for 1983 have just been completed and incorporate 202 data through June 1983. Information covering these revisions are available from the Alaska Department of Labor, Research and Analysis Section. The revised numbers indicate that employment growth in 1983 was slightly above those of our earlier estimates. Statewide 1983 average nonagricultural employment was revised to 212,900 for a 6.2% increase over 1982. There was a tendency to slightly underestimate most categories. Two industries require additional attention. In the revised numbers, construction is estimated to be up 20.8% to an average of 20,300. This exceeds even, what seemed at the time, our earlier extremely optimistic estimates. At the same time, food and kindred products (seafood processing) appear to have been overestimated and that for the year a decline of 1.4% from 1982 was experienced.

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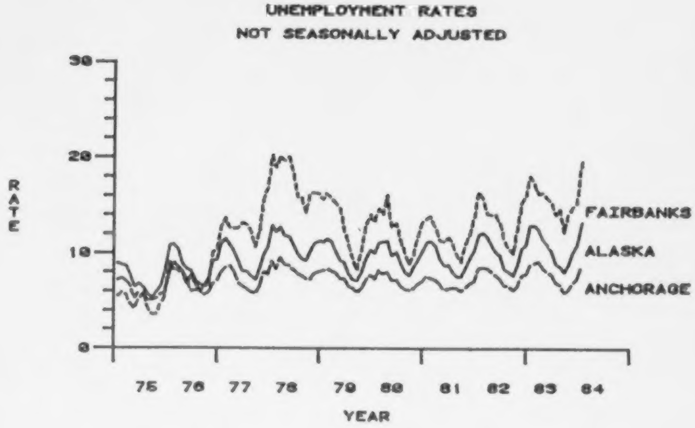
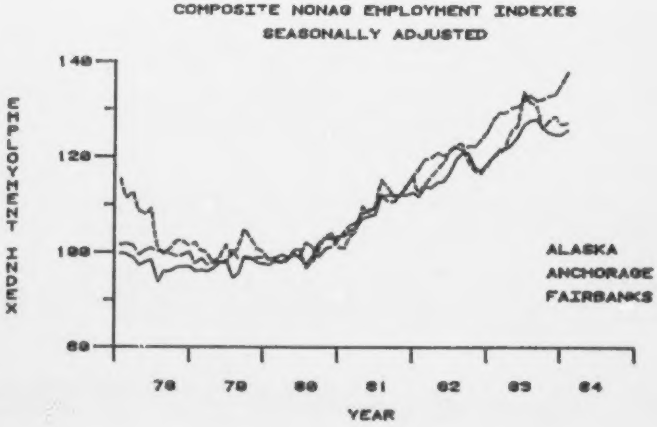


UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED

ANCHORAGE-MATSU

By Greg Huff

Anchorage nonagricultural wage and salary employment continued its seasonal slide in January dropping by 2,500 jobs from December employment levels. While this is a significant decline, employment levels this January are up 7.8% over January 1983 levels. The month to month decline in employment was broadly based, including all industries except mining, food and kindred products, wholesale trade, and local government. The principle sources of the over-the-month fall in employment were seasonal declines in construction activity and the end of the holiday buying season. Employment increases in mining are normal for January because the oil and gas industry expands exploration efforts during the "freeze-up" months.

The growth in employment from January 1983 was widespread. State government, more precisely state education, was the only sector which showed employment below year-ago levels. The decline was a temporary aberration. Anchorage Community College's second semester started near the end of January this year vs the beginning of January last year. Hundreds of temporary part-time instructors who were off for the semester break were not included in our figures. The February numbers will pick those up and state education is expected to show a monthly increase and over-the-year gains. In 1983, state government employment in Anchorage grew 7.7%.

The growth rate in construction employment has lost some momentum in the Anchorage area. Construction employment in January 1984 was up only 8.6% compared to January 1983. This contrasts to gains of 44% and 36% in 1983 and 1982, respectively. In line with the diminished construction employment growth, housing permits for the past 5 months (Sept. 1983-Jan. 1984) have been below corresponding figures from the previous year. The Municipality of Anchorage's construction activity report, dated Jan. 1984, reenforced the trend showing a $17 million (or 55%) decline in construction project valuations. The decline is widespread, including all housing categories from single family through multi-family and commercial projects.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 1/84	R 12/83	1/83	P 1/84	R 12/83	1/83	P 1/84	R 12/83	1/83	P 1/84	R 12/83	1/83
Alaska Statewide	219404	224121	207983	29085	24497	26797	13.3	10.9	12.9	190319	199624	181186
Anchorage-Matsu Region....	115420	118166	108088	11368	9982	10460	9.8	8.4	9.7	104052	108184	97628
Anchorage	103563	106057	97087	9154	7899	8506	8.8	7.4	8.8	94409	98158	88581
Matanuska-Susitna	11857	12109	11001	2214	2083	1954	18.7	17.2	17.8	9643	10026	9047
Gulf Coast Region..........	23435	23922	22541	4269	3387	4429	18.2	14.2	19.6	19166	20535	18112
Cordova	1229	1255	1150	203	156	180	16.5	12.4	15.7	1026	1099	970
Kenai	12223	12479	11793	2457	2016	2565	20.1	16.2	21.8	9766	10463	9228
Kodiak	5070	5215	4949	694	526	813	13.7	10.1	16.4	4376	4689	4136
Seward	1723	1733	1693	356	269	401	20.7	15.5	23.7	1367	1464	1292
Valdez....................	3190	3240	2956	559	420	470	17.5	13.0	15.9	2631	2820	2486
Interior Region.............	29709	29802	28017	5768	4521	4991	19.4	15.2	17.8	23941	25281	23026
Fairbanks................	24288	24331	22908	4774	3725	4140	19.7	15.3	18.1	19514	20606	18768
Southeast Fairbanks	2342	2369	2162	385	302	279	16.4	12.7	12.9	1957	2067	1883
Upper Yukon	726	743	684	142	127	123	19.6	17.1	18.0	584	616	561
Yukon-Koyukuk...........	2353	2359	2263	467	367	449	19.8	15.6	19.8	1886	1992	1814
Northern Region	10500	10662	10334	1081	1109	926	10.3	10.4	9.0	9419	9553	9408
Barrow-North Slope	2830	2847	2731	289	270	193	10.2	9.5	7.1	2541	2577	2538
Kobuk....................	3271	3299	3213	348	334	293	10.6	10.1	9.1	2923	2965	2920
Nome	4399	4516	4390	444	505	440	10.1	11.2	10.0	3955	4011	3950
Southeast Region	29996	30938	29028	5335	4430	4947	17.8	14.3	17.0	24661	26508	24081
Angoon	375	398	399	49	47	80	13.1	11.8	20.1	326	351	319
Haines	1049	1087	1026	217	193	214	20.7	17.8	20.9	832	894	812
Juneau	10338	10809	9797	1386	1186	1056	13.4	11.0	10.8	8952	9623	8741
Ketchikan	6385	6515	6217	1197	939	1151	18.7	14.4	18.5	5188	5576	5066
Outer Ketchikan..........	795	789	873	184	132	276	23.1	16.7	31.6	611	657	597
Prince of Wales...........	1448	1544	1484	307	317	370	21.2	20.5	24.9	1141	1227	1114
Sitka	4184	4397	4017	567	510	485	13.6	11.6	12.1	3617	3887	3532
Skagway..................	1722	1727	1648	516	431	470	30.0	25.0	28.5	1206	1296	1178
Wrangell-Petersburg	3700	3672	3567	912	675	845	24.6	18.4	23.7	2788	2997	2722
Southwest Region	10344	10631	9975	1264	1068	1044	12.2	10.0	10.5	9080	9563	8931
Aleutian Islands..........	2627	2757	2587	158	156	158	6.0	5.7	6.1	2469	2601	2429
Bethel....................	3320	3402	3186	431	360	345	13.0	10.6	10.8	2889	3042	2841
Bristol Bay Borough	369	375	366	43	32	45	11.7	8.5	12.3	326	343	321
Bristol Bay...............	1399	1445	1318	180	161	119	12.9	11.1	9.0	1219	1284	1199
Kuskokwim..............	976	971	903	188	142	128	19.3	14.6	14.2	788	829	775
Wade Hampton	1653	1681	1615	264	217	249	16.0	12.9	15.4	1389	1464	1366

P/=Preliminary 1983 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE

				CHANGES FROM:	
	P/ 1/84	R/ 12/83	1/83	12/83	1/83
Nonag. Wage & Salary	102800	105300	95350	-2500	7450
Mining	3650	3350	3400	300	250
Construction	7550	8550	6950	-1000	600
Manufacturing	2150	2150	2050	0	100
Food & Kindred Prod.	350	300	350	50	0
All Other Mfg.	1800	1850	1700	-50	100
Trans. Comm. & Util.	8400	8850	8050	-450	350
Trucking & Whseing.	1250	1350	1150	-100	100
Water Transportation	250	350	250	-100	0
Air Transportation	3400	3600	3200	-200	200
Other Trans. Comm. & Utilities	3500	3550	3450	-50	50
Trade	26350	27000	23350	-650	3000
Wholesale	6100	6050	5650	50	450
Retail	20250	20950	17700	-700	2550
General Merchandise	1850	2000	1650	-150	200
Food Stores	2500	2650	2300	-150	200
Eating & Drinking Places	7550	7750	6650	-200	900
Other Retail Trade	8350	8550	7100	-200	1250
Finance-Ins. & R. Estate	7000	7150	6700	-150	300
Services & Misc.	22700	23000	21350	-300	1350
Government	25000	25250	23500	-250	1500
Federal	9950	9950	9850	0	100
State	6100	6450	6450	-350	-350
Local	8950	8850	7200	100	1750

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ANCHORAGE-MATSU

				CHANGES FROM:	
	P/ 1/84	R/ 12/83	1/83	12/83	1/83
Nonag. Wage & Salary	107550	110600	99700	-3050	7850
Mining	3650	3350	3450	300	200
Construction	7900	9150	7350	-1250	550
Manufacturing	2250	2250	2100	0	150
Trans. Comm. & Util.	8950	9300	8500	-350	450
Trade	27400	28150	24300	-750	3100
Finance-Ins. & R. Estate	7300	7500	6850	-200	450
Services & Misc.	23350	23900	22050	-550	1300
Government	26750	27000	25100	-250	1650

FAIRBANKS/INTERIOR

By Neal Fried

Employment Outlook

Employment will move ahead in Fairbanks in 1984, the fourth year in a row of growth. The growth rate will continue to slow, having peaked in 1981 at an annual average of 9%, but a number of industries will chalk up gains again this year. This is not to say that 1984 will be a repeat of the previous years' trends as subtle and possibly not so subtle changes will occur. The major source of stimulus remains the state oil revenues which have flowed steadily during the past 4 years, and are expected to continue in 1984. The private sector has reacted to this stimulus and will continue to do so in 1984.

Labor Force

It is unlikely there will be any surprises in the labor force figures in 1984. During the past 2 years the unemployment rate has been in the 10.7-18.1% range, in spite of the fact that employment grew by more than 7% both years. High rates have persisted because of in-migration and the large number of seasonally employed workers, particularly construction workers. In-migration may abate somewhat with the rapid economic recovery presently taking place nationally. Seasonality will remain a major factor, and a slower rate of employment growth will keep unemployment rates high in 1984. The unemployment rate for 1984 is not likely to diverge far from the past two years' rates.

The job market will remain competitive but fluid. New and ongoing activities are expected to provide new opportunities. The supply of job seekers will keep the labor market competitive. If construction slows as expected it will become a tighter market for workers in this industry, although growth in many of the remaining industries will provide additional job opportunities.

Industry Profile

The construction industry is by no means Fairbanks' largest industry, but does represent approximately 10% of Fairbanks' wage and salary employment. It is a very unpredictable and volatile industry, and to an extent, acts as a weather vane for the rest of the economy in Fairbanks. During the 1983 legislative session approximately $120 million was appropriated for capital projects. While some of these funds have already been spent, much will be spent this year. This was more than double 1982's appropriations and insures that the public construction sector will experience another good year in 1984. A partial list of the larger projects includes renovation of the Hering Auditorium, $3 million pipe replacement, millions of dollars

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	1/84	12/83	1/83	12/83	1/83
Nonag. Wage & Salary	24750	25900	23350	-1150	1400
Mining	200	200	200	0	0
Construction	1750	2000	1550	-250	200
Manufacturing	450	450	400	0	50
Trans. Comm. & Util.	2550	2650	2700	-100	-150
Trucking & Whseing.	400	450	400	-50	0
Air Transportation	600	600	600	0	0
Other Trans. Comm. & Utilities	1550	1600	1700	-50	-150
Trade	5300	5700	4650	-400	650
Wholesale	850	900	850	-50	0
Retail	4450	4800	3800	-350	650
General Merchandise & Apparel	450	500	350	-50	100
Food Stores	750	750	700	0	50
Other Retail Trade	3250	3550	2750	-300	500
Finance-Ins. & R. Estate	950	1000	900	-50	50
Services & Misc.	4850	4900	4600	-50	250
Government	8700	9000	8350	-300	350
Federal	2500	2550	2500	-50	0
State	3600	3800	3600	-200	0
Local	2600	2650	2250	-50	350

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/	R/		CHANGES FROM:	
	1/84	12/83	1/83	12/83	1/83
Nonag. Wage & Salary	28050	29350	26600	-1300	1450
Mining	300	350	300	-50	0
Construction	1850	2050	1600	-200	250
Manufacturing	500	500	450	0	50
Trans. Comm. & Util.	3250	3350	3350	-100	-100
Trade	5600	6050	4950	-450	650
Finance-Ins. & R. Estate	1000	1050	950	-50	50
Services & Misc.	5100	5300	4850	-200	250
Government	10450	10700	10150	-250	300

in road construction, continued work on the hospital, completion of the University of Alaska's dormitories, classroom space, library, and the North Pole High School. The Corps of Engineers is also planning a busy season, spending $60 million on a variety of larger and smaller projects.

In the private sector the largest project on the horizon is the $60 million expansion of the MAPCO refinery. The refinery plans to boost existing capacity and add on two new lines of products, gasoline and asphalt. If this project goes as planned it will not only be the single largest construction project but will also boost manufacturing employment and Fairbanks' export sector. Other large building projects will include the addition of 6 floors to the old Borough building and the completion of another major office building. Given what is presently known, it appears private commercial construction should remain strong.

The residential sector is the big question mark in 1984. All information indicates that the residential construction sector will be slowing down. Rental vacancies are up and there is presently a healthy inventory of housing on the market. Single family home construction peaked in 1981, but multi-family housing construction grew enough to increase the number of housing units in 1983. With plans to bring on an additional 213 units in 1984-1985, the multi-family sector will remain strong. Construction of single family units will likely continue to come down, causing employment in the residential sector to fall, and thus causing some slow down in the entire industry. This outcome could be different if special housing for Eielson AFB are approved.

North Slope construction activity, another source of economic growth for the Fairbanks economy in the past, will not be providing this stimulus in 1984. Both major oil companies on the North Slope are predicting a significantly slower construction year in 1984.

Trade and services, Fairbanks' major secondary industries, will make gains again in 1984, trade in particiular. Population and income growth will push these industries ahead. A good tourism year is expected, both because of promotions and the end of the national recession. This will provide stimuli to Fairbanks' secondary sector. Government, Fairbanks' largest sector, will also grow. Federal employment is projected to remain level, but it could inch upward due to activity on the military bases. State government may move ahead slightly, responding to the University of Alaska's ever growing enrollments. Local government will grow because Fairbanks' school population is up, new schools have been built and additional services will have to be provided to the growing population.

GULF COAST

By Neal Fried

Employment Outlook 1984

Growth in the Gulf Coast region, as in much of the state, has been riding on the wave of state expenditures for the past 3 years. More recently private commercial expenditures have also contributed to this growth. Though the wave has probably crested, the region will continue to benefit from state expenditures in 1984. While employment is expected to continue to grow in 1984, the region is not one economic unit and therefore the experiences of the communities will be different. The major communities in the region are Homer, Seward, Kenai, Soldotna, Kodiak, and Valdez. Some may not grow, others may possibly lose employment, but those which do forge ahead will more than make up for these losses.

Labor Force

The region's labor market has never suffered from a labor supply shortfall. Competition for jobs has always been keen, even during the past 3 years of high employment growth. The average annual unemployment rate dropped a percentage point in 1983, but remains at the high rate of 13.2% (3 points above the state's annual average). Unemployment has remained high, despite rapid growth in employment, due to the region's accessability to the major population center combined with the desire of many people to live there because of the lifestyle it offers. Though employment in 1984 will grow, the unemployment rate is not likely to change much since the supply of job seekers will also continue to grow. These new jobs will allow some new job seekers to find work and others to switch employment.

Industry Profile

Overall, it appears that construction could begin to slow in 1984. Public construction, which initially pushed this industry into the growth mode, appears to be slowing. The capital budget for the region in the 1983 legislature dropped below 1981 and 1982 levels. Most of the region's local communities plan to limit spending to year-ago levels or less, with only a few exceptions. There are many unknowns, as many projects are pending legislative funding.

Despite this slowdown in public construction, there are a number of large projects which will get underway in 1984 if all goes as scheduled. These projects include the new Homer High School, the expansion of Homer's small boat harbor, the completion of Seward's loading facility and Kodiak's Near Island bridge, and the construction of the Seward jail. The construction of the state jail in Seward will not only boost construction

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	1/84	12/83	1/83	12/83	1/83
Nonag. Wage & Salary	16950	17900	15750	-950	1200
Mining	750	700	700	50	50
Construction	1400	1600	1100	-200	300
Manufacturing	1550	1800	1650	-250	-100
Food & Kindred Prod.	900	1100	1000	-200	-100
All Other Mfg.	650	700	650	-50	0
Trans. Comm. & Util.	2200	2250	2000	-50	200
Trade	2900	3100	2600	-200	300
Wholesale	400	450	350	-50	50
Retail	2500	2650	2250	-150	250
Finance-Ins. & R. Estate	450	500	450	-50	0
Services & Misc.	2800	2850	2550	-50	250
Government	4900	5100	4700	-200	200
Federal	500	550	450	-50	50
State	1400	1500	1300	-100	100
Local	3000	3050	2950	-50	50

employment, but more importantly, when the jail staff is hired, Seward's wage and salary workforce will jump by 44%. Seward appears to be one of the exceptions for public capital projects this year in the Gulf Coast Region.

In the private commercial sector, one project will determine if this year's employment level is equal to or higher than 1983. This project is the $85 million Tesoro Refinery expansion which is pending an oil contract with the state. If the expansion does occur, it will not only boost construction employment, but when completed it would add more permanent manufacturing employment. Trade related construction will continue to expand in 1984 providing additional stimulus to the construction industry. Residential construction is the most difficult to predict. This past year saw residential construction grow by 51%. The Peninsula is expecting another good year in the residential sector but the balance of the region is expected to be lackluster.

Fishing, the region's largest private industry and most volatile, holds few promises for growth in 1984. The shell fishery's disappointing 1983 performance is expected to repeat itself in 1984. There are promising signs that the bottom fishing industry is developing in Kodiak, but it will not be enough this year to offset the contraction in the shellfish industry. The salmon fishery which is the major link to overall levels of fish processing employment, is expecting another good season in 1984. This will hopefully keep fish processing employment near last year's level.

The region's secondary industries (service; trade; and finance, insurance and real estate) will continue to chalk up gains in 1984. Growth in population and income will keep these industries growing. A good tourism year is predicted, which will also benefit these industries. With the national recession fading, and a booming Anchorage economy, the number of visitors on the Kenai Peninsula should reach new heights.

Government, the region's largest sector, will also move ahead. Federal employment will likely remain unchanged, but state and local government will grow in response to growing population. New schools are being built and others are expanding, requiring additional staff.

SOUTHEAST ALASKA

By John Boucher

1983: The Year in Review

Nineteen eighty-three brought mixed results to Southeast Alaska employment. While the state benefited from another strong growth year (estimated at 6.2%) Southeast grew at a 2.3% rate. Closer examination reveals why the regions growth lagged behind other areas of the state. The strong growth in construction employment that led the 1983 surge was present in Southeast but a concurrent drop in manufacturing and transportation employment present in Southeast was not characteristic of the rest of the state. The downturn of these two industries restrained Southeast Alaska employment growth to a moderate pace.

Construction

Employment growth in Southeast was strongest in construction. In fact construction grew faster in Southeast Alaska in 1983 than in any other region of the state. Many factors contributed to the surge in construction activity during the last year. Public construction dollars played a large role with road projects, hospitals, marine facilities and public buildings all making significant contributions to employment growth. Another important factor in employment growth was the post-capital move building boom that began in Juneau in the winter of 1982 but didn't reach high gear until last summer. Juneau building activity contributed to employment increases in all three construction sectors. New housing units authorized were up 66% over 1982's record and new commercial construction was evident throughout the city. This activity boosted building and special trades construction while resurfacing much of the downtown areas streets bolstered the heavy construction sector.

Manufacturing

If construction employment growth was the zenith of the Southeast's employment then the decline in manufacturing employment was its nadir. Manufacturing, long the underpinning of Southeast Alaska's private employment structure, continued to have its prominence eroded by abyssmal markets. Lumber and pulp employment was the primary victim in 1983. Ketchikan's spruce mill was shut by strike in July and has not reopened. Alaska Lumber and Pulp has applied for relief from EPA water pollution standards claiming new equipment would be too costly to install, and the Wrangell sawmill announced at years end it was shutting down indefinitely in February 1984. Overall, it was a dismal year for Southeast manufacturing employment and prospects for a turnaround do not look promising.

Table I
Southeast Alaska Nonagricultural Wage and Salary Employment 1/
1982-1983

	1982	1983	Changes Number	Changes Percent
Total	28,192	28,850	658	2.3%
Construction	1,516	1,988	472	31.1%
Building Construction	415	538	123	29.6%
Heavy Construction	634	846	212	33.4%
Special Trades	467	605	138	29.6%
Manufacturing 2/	4,169	3,635	-534	-12.8%
Food & Kindred	1,540	1,370	-170	-11.0%
Lumber & Pulp	2,400	2,024	-376	-15.7%
Other	229	240	11	4.8%
Transportation, Comm. & Utilities	2,238	2,071	-167	-7.5%
Air Transportation	634	510	-124	-19.6%
Water Transportation	447	533	86	19.2%
Communication & Utilities	608	623	15	2.5%
Other Transportation	549	407	-142	-25.9%
Trade	4,154	4,534	380	9.1%
Wholesale	334	437	103	30.8%
Retail	3,820	4,097	277	7.3%
Food Stores	797	885	88	11.0%
Eating & Drinking	1,228	1,274	46	3.7%
Other	1,795	1,938	143	8.0%
Fin.-Insurance and Real Estate	976	969	-7	-0.7%
Mining, Services & Misc.	3,865	4,210	345	8.9%
Mining	30	55	25	83.3%
Hotel, Motel	592	746	154	26.0%
Medical	674	758	84	12.5%
Other	2,569	2,652	83	3.2%
Government	11,276	11,443	167	1.5%
Federal	2,216	2,228	12	0.5%
State	5,317	5,400	83	1.6%
Local	3,744	3,815	71	1.9%

Industry subtotals may not add due to annual average rounding.

1/ 1983 estimates on 6 months actual data and 6 months estimated data.

2/ Due to a recently discovered reporting error in 202 actual counts, the manufacturing and food and kindred products totals are unreliable for Southeast from 2nd quarter 1980 to the present. Food and kindred products is estimated to be overstated by almost 30% while manufacturing is overstated by about 10%. Revised data is anticipated to be available soon.

Table II
Southeast Alaska Unemployment
1983

Census Division	High (Month)	Low (Month)	Annual Avg.
Southeast Alaska	17.5 (Feb.)	8.1 (Aug.)	12.3
Angoon	21.0 (Feb.)	8.8 (Nov.)	14.8
Haines	22.8 (Feb.)	8.0 (Aug.)	15.3
Juneau	11.9 (Feb.)	7.8 (Aug.)	9.7
Ketchikan	18.5 (Jan.) (Jan./Feb.)	7.3 (Aug.)	12.1
Outer Ketchikan	32.2 (Feb.)	7.8 (Aug.)	19.4
Prince of Wales	26.0 (Feb.)	12.3 (Aug.)	18.1
Sitka	12.1 (Jan.)	7.3 (Aug.)	9.8
Skagway-Yakutat	30.5 (Feb.)	9.8 (June)	21.0
Wrangell-Petersburg	23.7 (Jan.)	7.0 (Aug.)	14.5

See footnote, center insert.

Transportation

Transportation employment was also a disappointment in the Southeast economy in 1983. The most important event was the shutdown of the White Pass-Yukon railroad in late 1982. The effect of this event was felt in the "other transportation" sector of the transportation industry. Air transportation also showed a net loss in employment from 1982 but the largest part of that drop is accounted for by one employer that was incorrectly coded into the region prior to 1983. The pullout of Wein Airlines did bring down the employment average slightly but not significantly since Western Airlines came on fairly early in the year. Water transportation had a very strong increase, and this could be related to the strong construction season.

Trade, Finance Insurance and Real Estate and Government

Trade had the best employment growth in the region except for construction. Wholesale trade growth was phenomenal, providing 28% of the total growth in trade during the year, about 3 to 4 times what would be expected. Hardware stores, furniture stores and other durables such as lumber figure prominently in wholesale trade and probably are a direct reflection of the growth in construction employment. Retail trade grew by 7.3%. Solid increases across the board indicate that Southeastern Alaska is expanding its retail employment to meet demands brought by increasing population and incomes. Finance, insurance and real estate employment remained essentially the same over the year. This might be considered a surprise given the increased construction activity. Real estate agents in the capital city have had no lack of activity during the past year.

Mining, services and miscellaneous employment was also a strong contributor to Southeast employment growth during the past year. Mining activity almost doubled with the beginning of bulk sampling from Quartz Hill. Hotel and motel employment showed strong growth as three new hotels opened, one in Ketchikan and two in Juneau. Medical services grew 12.5% during the year and the all encompassing "other" category grew at a 3.2% rate.

State, federal and local government grew at a fairly slow pace during 1983. Federal goverment had a very slight increase over the year while state and local government increased 1.6% and 1.9% over the year.

Unemployment

Southeast Alaska annual average unemployment rose more than one full percentage point during 1983 to 12.3%. This was the worst "over the year" change of any region in the state outside of Alaska's interior. All of the regions census divisions experienced double digit unemployment. The Juneau census division average annual unemployment rate of 9.7% was the lowest in the Southeast while the Skagway census division had the regions and the states highest unemployment rate at 21.0%.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P/	R/			
	1/84	12/83	1/83	12/83	1/83
Nonag. Wage & Salary	25650	27200	24800	-1550	850
Construction	1300	1600	1200	-300	100
Manufacturing	1800	2700	1900	-900	-100
Food & Kindred Prod.	350	850	350	-500	0
Lumber & Paper Prod.	1250	1600	1350	-350	-100
All Other Mfg.	200	250	200	-50	0
Trans. Comm. & Util.	1800	1950	1750	-150	50
Trade	4350	4650	4050	-300	300
Wholesale	400	400	400	0	0
Retail	3950	4250	3650	-300	300
Finance-Ins. & R. Estate	1000	1000	900	0	100
Mining, Services & Misc.	4000	3950	3850	50	150
Government	11400	11350	11150	50	250
Federal	2050	2150	2000	-100	50
State	5350	5100	5350	250	0
Local	4000	4100	3800	-100	200

HOURS AND EARNINGS

By Kathryn Lizik

Decreased levels of activity in many of Alaska's industries resulted in minor changes from November to December hours and earnings. Mining was the only industry to experience noticeable drops in all three categories: average hourly earnings fell 10% to $22.10; average weekly hours went from 49.2 to 46.7; and average weekly earnings fell 14% to $1,032.07. Construction continued to be seasonally slow with layoffs pushing the average weekly hours down 11% over November from 39.5 to 35.3. This in turn lowered average weekly earnings 10% to $843.32.

A slight increase in average weekly hours (5%) coupled with a comparable decrease in average hourly earnings (6%) was seen in the food and kindred products sector of manufacturing. A few scattered crab openings during December may have contributed to the light activity in seafood processing.

Retail trade did not reflect the excessively long working hours one would have expected prior to the busy Christmas shopping season. Although average hourly earnings dipped 2% and average weekly hours increased 2%, a combination usually indicative of new hires, the low average weekly hours of 37.7 was far below a 40-hour or better work week one would expect to see during the height of the buying season.

-4/17/84 S0320-1 A

APRIL 1984

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

1 Alaska Wage Rates

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ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
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Funded by:

JOB SERVICE

April 1984
Volume 4
Issue 4

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

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ALASKA WAGE RATES

By John Van Houten

Occupational wage rates are an important consideration in business and personal planning. Employers want comparisons between their wage schedules and the prevailing wage rates. Similarly, job seekers and persons planning careers are interested in wage rate comparisons among various occupations and different geographical areas. Because of these and other reasons, requests for wage rates are among the most frequently asked for information from Research and Analysis.

Research and Analysis has two major sources from which to answer these requests: the results of an annual entry-level wage rate survey and compilations of wage rates offered by employers who have placed job orders at the 19 local Job Service offices throughout Alaska. The 1983 entry-level wage survey comprised 197 occupations and included responses from more than 1,200 employers throughout Alaska. The data are compiled on a statewide basis and for six geographic-economic regions and printed in the publication *1983 Wage Rates for Selected Occupations.* Copies of this report are available from the Department of Labor, Research & Analysis.

The second source, Job Service job-order wage offerings, includes some 1,200 occupations defined in the 4th edition of the Bureau of Labor Statistics' *Dictionary of Occupational Titles* (DOT). More than 54,000 job orders were placed during 1983. Table 1 is an Alaska statewide listing of occupations which had 25 or more job orders. Occupations with less than 25 job orders were placed in the "all other categories." Openings and the average wage offered are listed in the tables. The openings indicated are job orders placed with Job Service offices; they were not all necessarily filled. Tables 2 and 3 are listings of job orders placed with the Anchorage and Fairbanks offices, respectively, and include occupations for which 15 or more orders were placed during 1983.

Persons interested in more information than provided here should call Research and Analysis. Wage rates are available for all occupations for which job orders were placed and local information is available for each of the 19 Job Service offices listed in Table 4.

Table 1
Average Wage Rates of Job Orders Received
Statewide
1983

Occupation	No. of Openings	Mean Wage
MANAGERS AND OFFICERS		
CAPTAIN, WATER VESSEL	25	$ 22.30
MANAGER, EATING OR DRINKING ESTABLISHMENT	33	6.87
ALL OTHER MANAGERS	331	11.42
PROFESSIONAL AND TECHNICAL		
ACCOUNTANTS AND AUDITORS	51	14.82
AIRPLANE PILOT	28	22.35
BIOLOGICAL SCIENCE TECHNICIAN	25	5.67
CASEWORKER	72	9.68
CIVIL ENGINEER	27	14.76
COMPUTER PROGRAMMER	25	10.97
DENTAL ASSISTANT	33	8.71
DRAFTER	113	9.71
ELECTRICAL AND ELECTRONIC TECHNICIANS	44	11.05
GROUP RECREATION WORKER	81	5.97
NURSE, LICENSED PRACTICAL	29	8.97
NURSE, PROFESSIONAL	71	11.27
RADIO OPERATOR	35	6.77
RADIOLOGIC TECHNICIAN	32	7.87
SURVEYOR	54	13.47
TRAVEL AGENT OR TRAVEL ACCOMMODATIONS APPRAISER	41	8.39
VOCATIONAL AND EDUCATIONAL COUNSELOR	82	10.72
ALL OTHER MEDICAL AND DENTAL TECHNOLOGISTS/TECHNICIANS	40	11.76
ALL OTHER TEACHERS	87	10.54
ALL OTHER TECHNICIANS	43	7.97
ALL OTHER PROFESSIONAL WORKERS	423	9.93
SERVICES		
BAKER, BREAD/PASTRY	149	6.39
BARTENDER	195	6.97
BELLHOP/BAGGAGE PORTER/DOORKEEPER/ROOM SERVICE ATTENDANT	43	5.29
BUTCHER OR MEAT CUTTER	43	7.81
CHILD CARE ATTENDANT	481	4.13
CHILD CARE WORKER	56	6.00
COOK, INSTITUTION OR CAFETERIA	227	8.22
COOK, RESTAURANT	581	6.56
COOK, SHORT ORDER/SPECIALTY FAST FOODS	582	5.22
CORRECTION OFFICER OR JAILER	56	12.67
COUNTER ATTENDANT, LUNCHROOM, COFFEE SHOP, OR CAFETERIA	846	4.45
DINING ROOM/CAFETERIA ATTENDANT OR BARTENDER HELPER	217	4.48
FIRE FIGHTER	348	7.99
FOREST CONSERVATION WORKER	145	7.51
GAME OPERATORS/RIDE OPERATORS/CONCESSION WORKERS	26	8.70
GUARDS AND DOORKEEPERS	139	6.55

Table 1
Average Wage Rates of Job Orders Received
Statewide
1983
(Continued)

Occupation	No. of Openings	Mean Wage
HOST/HOSTESS, RESTAURANT, LOUNGE, OR COFFEE SHOP	96	5.26
HOUSE CLEANER	166	5.28
HOUSEKEEPER	37	5.83
KITCHEN HELPER	1,112	5.15
MAID	353	5.42
NURSE AIDE OR ORDERLY	32	5.90
PANTRY/SANDWICH/COFFEE MAKER	172	5.31
SECURITY CHECKER	52	5.28
SUPERVISOR, NONWORKING—SERVICE ONLY	65	9.25
WAITER/WAITRESS	1,273	4.32
ALL OTHER JANITORS, PORTERS, AND CLEANERS	1,001	5.91
ALL OTHER FOOD SERVICE WORKERS	153	4.14
ALL OTHER SERVICE WORKERS	1,601	6.17
ALTERATION TAILOR	29	5.91
MAINTENANCE AND PRODUCTION		
AUTOMOTIVE BODY REPAIRER	28	9.44
BAGGER	238	4.09
BINDERY WORKER, ASSEMBLY	25	4.26
BRICKLAYER	53	14.40
BUS DRIVER, SCHOOL	57	10.66
CANNERY WORKER	10,583	5.46
CARPENTER	1,318	11.43
CEMENT MASON	87	12.73
CHOKER SETTER, LUMBER	47	13.11
CLEANER, VEHICLE	183	5.03
DELIVERY OR ROUTE WORKER	168	5.32
ELECTRICIAN HELPER	32	7.72
ELECTRICIAN	244	16.33
FALLER OR BUCKER	111	10.92
GARDENERS AND GROUNDSKEEPERS	604	5.22
GLAZIER	26	17.90
HEAVY EQUIPMENT OPERATOR	355	15.41
INDUSTRIAL TRUCK OPERATOR	42	9.54
LINE SERVICE ATTENDANT	33	5.15
MAINTENANCE REPAIRER, GENERAL UTILITY	239	7.53
MECHANIC, AIRCRAFT	62	12.92
MECHANIC, AUTOMOTIVE	281	10.26
MECHANIC, DIESEL	65	12.42
MECHANIC, ENGINEERING EQUIPMENT	111	15.24
MECHANIC, MAINTENANCE	28	10.84
MECHANIC, REFRIGERATION OR AIR CONDITIONING	25	13.43
ORDINARY SEAMAN	27	17.14
PAINTER, MAINTENANCE	383	9.01
PAINTER, PRODUCTION	51	8.89
PARKING LOT ATTENDANT	120	4.88
PLUMBER OR PIPEFITTER	267	15.23
PRINT DEVELOPER, MACHINE	26	5.53

ALASKA
HOURS AND EARNINGS FOR SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 12/83	r/ 11/83	12/82	p/ 12/83	r/ 11/83	12/82	p/ 12/83	r/ 11/83	12/82
Mining	$22.10	$24.58	$21.49	46.7	49.2	45.2	$1032.07	$1209.34	$971.35
Contract Construction 3/	23.89	23.65	22.78	35.3	39.5	40.6	843.32	934.18	924.87
Manufacturing	15.12	14.97	14.04	31.9	29.1	32.7	482.33	435.63	459.11
Food & Kindred Products	8.64	9.17	8.72	18.3	17.4	23.7	158.11	159.56	206.66
Lumber & Paper Products	18.61	18.01	16.90	40.4	39.3	39.9	751.84	707.79	674.31
Trans. Comm. & Util.	16.06	15.72	15.05	36.5	37.3	36.7	586.19	586.36	552.34
Trade	10.13	10.26	9.61	35.3	34.5	35.4	357.59	353.97	340.19
Wholesale	12.27	12.17	11.14	37.7	36.8	37.6	462.58	447.86	418.86
Retail	9.34	9.52	9.02	34.5	33.7	34.6	322.23	320.82	312.09
Finance-Ins. & R. Estate	—	—	—	—	—	—	340.30	339.79	361.48

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

3/ Due to technical revision in construction sample, 1982 estimates are not strictly comparable to previous years data.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Table 1
Average Wage Rates of Job Orders Received
Statewide
1983
(Continued)

Occupation	No. of Openings	Mean Wage
PRODUCTION PACKAGER, HAND OR MACHINE	44	6.09
ROOFER	68	13.99
SERVICE STATION/FUEL PUMP ATTENDANT OR LUBRICATOR	328	4.65
SHEET METAL WORKER	57	13.01
STOCK CLERK, SALES FLOOR	91	5.52
SUPERVISOR, NONWORKING	119	16.44
SURVEYOR HELPER	68	8.27
TIRE FABRICATOR OR REPAIRER	88	6.34
TRUCK DRIVER, HEAVY	336	9.79
WELDER OR FLAMECUTTER	74	14.30
ALL OTHER ASSEMBLERS	75	7.46
ALL OTHER HELPERS, SKILLED TRADES	115	6.28
ALL OTHER LABORERS AND UNSKILLED WORKERS	9668	6.75
ALL OTHER MECHANICS AND REPAIRERS	172	9.03
ALL OTHER OPERATIVES AND SEMISKILLED WORKERS	581	9.57
ALL OTHER SKILLED CRAFT AND KINDRED WORKERS	325	12.52
CLERICAL		
ACCOUNTING CLERK	80	7.14
BOOKKEEPER, HAND	447	7.92
CAR RENTAL CLERK	71	4.98
CASHIER	503	6.81
COLLECTOR	33	8.00
COMPUTER OPERATOR	29	13.95
COUNTER CLERK	34	4.40
CREDIT CLERK	59	9.15
DESK CLERK	160	5.82
FILE CLERK	113	5.39
GENERAL OFFICE CLERK	1232	6.60
KEYPUNCH OPERATOR	56	7.77
LIBRARY ASSISTANT	29	7.30
MAIL CLERK	35	6.61
MESSENGER	286	5.33
ORDER CLERK	39	5.80
PAYROLL OR TIMEKEEPING CLERK	71	8.41
PRODUCTION CLERK OR COORDINATOR	44	7.50
PROOF MACHINE OPERATOR	35	5.81
RECEPTIONIST	581	6.38
SECRETARY	685	8.69
SHIPPING OR RECEIVING CLERK	45	6.59
STOCK CLERK, STOCKROOM, WAREHOUSE, OR STORAGE YARD	423	5.63
SURVEY WORKER	131	6.89
SWITCHBOARD OPERATOR	59	5.75
TEACHER AIDE OR EDUCATIONAL ASSISTANT	63	8.29
TELLER	153	8.45
TRANSPORTATION AGENT	31	7.49

Table I
Average Wage Rates of Job Orders Received
Statewide
1983
(Continued)

Occupation	No. of Openings	Mean Wage
TRAVEL CLERK	27	6.37
TYPIST	665	7.94
ALL OTHER OFFICE MACHINE OPERATORS	310	7.29
ALL OTHER OFFICE CLERICAL WORKERS	344	7.79
ALL OTHER PLANT CLERICAL WORKERS	121	8.27
SALES		
DEMONSTRATOR	62	5.58
SALES AGENT ASSOCIATE REPRESENTATIVE, INSURANCE	25	8.62
SALES CLERK	864	5.17
ALL OTHER SALES AGENTS ASSOCIATES REPRESENTATIVES	605	6.25
ALL OTHER SALES WORKERS	137	5.10
TOTAL JOB OPENINGS	48,916	

Table 2
Average Wage Rates of Job Orders Received
Anchorage
1983

Occupation	No. of Openings	Mean Wage
MANAGERS AND OFFICERS		
ALL MANAGERS	143	$11.78
PROFESSIONAL AND TECHNICAL		
CASEWORKER	26	9.88
DRAFTER	79	9.87
ELECTRICAL AND ELECTRONIC TECHNICIANS	25	8.17
GROUP RECREATION WORKER	28	6.81
NURSE, PROFESSIONAL	29	10.61
SURVEYOR	16	15.00
TEACHER, SECONDARY SCHOOL	17	9.54
VOCATIONAL AND EDUCATIONAL COUNSELOR	19	13.95
ALL OTHER ENGINEERS	17	15.32
ALL OTHER MEDICAL AND DENTAL TECHNOLOGISTS/TECHNICIANS	16	13.02
ALL OTHER TEACHERS	17	9.97
ALL OTHER TECHNICIANS	49	9.66
ALL OTHER PROFESSIONAL WORKERS	150	8.90
SERVICES		
BAKER, BREAD/PASTRY	22	5.77
BARTENDER	70	7.77
BELLHOP/BAGGAGE PORTER/DOORKEEPER/ROOM SERVICE ATTENDANT	18	5.12
BUTCHER OR MEAT CUTTER	35	7.86
CHILD CARE ATTENDANT	110	4.22
CHILD CARE WORKER	15	5.95
COOK, INSTITUTION OR CAFETERIA	99	7.79
COOK, SHORT ORDER/SPECIALTY FAST FOODS	335	4.51
COOK, RESTAURANT	312	6.78
COUNTER ATTENDANT, LUNCHROOM, COFFEE SHOP, OR CAFETERIA	135	4.91
DINING ROOM/CAFETERIA ATTENDANT OR BARTENDER HELPER	138	4.58
FIRE FIGHTER	63	7.97
GUARDS AND DOORKEEPERS	94	5.98
HOST/HOSTESS, RESTAURANT, LOUNGE, OR COFFEE SHOP	35	5.83
HOUSE CLEANER	17	5.07
KITCHEN HELPER	385	4.83
MAID	145	5.30
PANTRY/SANDWICH/COFFEE MAKER	102	5.49
PARKING ENFORCEMENT OFFICER	17	5.04
SECURITY CHECKER	47	4.97
SUPERVISOR, NONWORKING—SERVICE ONLY	37	7.34
WAITER/WAITRESS	432	4.29
ALL OTHER JANITORS, PORTERS, AND CLEANERS	532	5.46
ALL OTHER SERVICE WORKERS	108	5.65
MAINTENANCE AND PRODUCTION		
ASPHALT RAKER	2,363	6.68

Table 2
Average Wage Rates of Job Orders Received
Anchorage
1983
(Continued)

Occupation	No. of Openings	Mean Wage
AUTOMOTIVE BODY REPAIRER	24	9.31
BRICKLAYER	33	12.36
CANNERY WORKER	1,837	5.13
CARPENTER	749	10.59
CEMENT MASON	57	10.36
CLEANER, VEHICLE	97	5.02
DELIVERY OR ROUTE WORKER	89	5.21
DENTAL LABORATORY TECHNICIAN	16	7.39
DRY WALL APPLICATOR	29	9.79
ELECTRICIAN	113	13.20
ELECTRICIAN HELPER	24	6.33
FALLER OR BUCKER	50	8.52
GARDENERS AND GROUNDSKEEPERS	200	6.41
GASOLINE ENGINE OR MOWER REPAIRER	18	7.42
HEAVY EQUIPMENT OPERATOR	174	13.37
INDUSTRIAL TRUCK OPERATOR	35	8.41
LINE SERVICE ATTENDANT	18	4.78
MAINTENANCE REPAIRER, GENERAL UTILITY	127	7.58
MECHANIC, AIRCRAFT	33	11.78
MECHANIC, AUTOMOTIVE	157	10.04
MECHANIC, DIESEL	32	11.91
MECHANIC, ENGINEERING EQUIPMENT	41	14.65
MECHANIC, MAINTENANCE	16	10.67
MECHANIC, REFRIGERATION/AIR CONDITIONING	23	12.20
OPTICIAN, DISPENSING/OPTICAL MECHANIC	21	6.26
PAINTER, MAINTENANCE	245	9.42
PARKING LOT ATTENDANT	77	4.92
PLUMBER OR PIPEFITTER	159	14.26
PRINT DEVELOPER, MACHINE	24	5.50
ROOFER	16	10.06
RUG CLEANER, HAND	19	5.47
SERVICE STATION/FUEL PUMP ATTENDANT/LUBRICATOR	192	4.52
SHEET METAL WORKER	32	11.19
SUPERVISOR, NONWORKING	44	16.74
TIRE FABRICATOR/REPAIRER	67	6.41
TRUCK DRIVER, HEAVY	104	11.29
TRUCK DRIVER, LIGHT	119	5.97
WELDER OR FLAMECUTTER	43	13.08
ALL OTHER ASSEMBLERS	42	7.66
ALL OTHER HELPERS, SKILLED TRADES	58	6.68
ALL OTHER LABORERS AND UNSKILLED WORKERS	1,773	6.20
ALL OTHER MECHANICS AND REPAIRERS	68	8.28
ALL OTHER OPERATIVES AND SEMISKILLED WORKERS	185	7.91
ALL OTHER SKILLED CRAFT AND KINDRED WORKERS	144	9.51
CLERICAL		
ACCOUNTING CLERK	207	6.69

Table 2
Average Wage Rates of Job Orders Received
Anchorage
1983
(Continued)

Occupation	No. of Openings	Mean Wage
BOOKKEEPER, HAND	215	8.27
CAR RENTAL CLERK	21	5.01
CASHIER	160	5.20
COLLECTOR	22	6.77
COMPUTER OPERATOR	17	8.22
CREDIT CLERK	33	6.98
DESK CLERK	38	6.00
FILE CLERK	51	5.60
GENERAL OFFICE CLERK	493	6.05
KEYPUNCH OPERATOR	29	7.86
MAIL CLERK	24	6.07
MESSENGER	143	5.63
ORDER CLERK	27	5.90
PAYROLL OR TIMEKEEPING CLERK	36	7.65
PROOF MACHINE OPERATOR	21	5.69
RATER	17	6.28
RECEPTIONIST	288	6.08
SECRETARY	307	8.31
SHIPPING OR RECEIVING CLERK	28	5.72
STOCK CLERK, STOCKROOM, WAREHOUSE, OR STORAGE YARD	88	5.34
SURVEY WORKER	65	6.13
SWITCHBOARD OPERATOR	44	6.09
TELLER	58	6.54
TYPIST	304	7.45
ALL OTHER OFFICE MACHINE OPERATORS	21	6.84
ALL OTHER OFFICE CLERICAL WORKERS	163	6.54
ALL OTHER PLANT CLERICAL WORKERS	70	6.68
SALES		
SALES CLERK	383	5.02
ALL OTHER SALES AGENTS/ASSOCIATES/ REPRESENTATIVES	365	6.22
ALL OTHER SALES WORKERS	79	4.74
TOTAL JOB OPENINGS	17,538	

Table 3
Average Wage Rates of Job Orders Received
Fairbanks
1983

Occupation	No. of Openings	Mean Wage
MANAGERS AND OFFICERS		
MANAGER, EATING DRINKING ESTABLISHMENT	20	$6.96
ALL OTHER MANAGERS	36	11.41
PROFESSIONAL AND TECHNICAL		
DRAFTER	17	10.14
RADIO OPERATOR	33	6.58
VOCATIONAL AND EDUCATIONAL COUNSELOR	15	9.43
ALL OTHER MEDICAL AND DENTAL TECHNOLOGISTS TECHNICIANS	33	9.29
ALL OTHER TEACHERS	20	9.59
ALL OTHER TECHNICIANS	18	9.92
ALL OTHER PROFESSIONAL WORKERS	99	9.57
SERVICES		
BARTENDER	28	6.25
CHILD CARE ATTENDANT	81	4.66
COOK, SHORT ORDER SPECIALTY FAST FOODS	85	5.54
COOK, RESTAURANT	115	6.92
COUNTER ATTENDANT, LUNCHROOM, COFFEE SHOP, OR CAFETERIA	36	5.15
FIRE FIGHTER	316	8.08
HOUSE CLEANER	25	5.19
HOST HOSTESS, RESTAURANT, LOUNGE, OR COFFEE SHOP	33	4.60
KITCHEN HELPER	165	4.97
MAID	22	4.99
WAITER WAITRESS	239	4.10
ALL OTHER FOOD SERVICE WORKERS	16	4.92
ALL OTHER JANITORS, PORTERS, AND CLEANERS	127	6.08
ALL OTHER SERVICE WORKERS	73	7.89
MAINTENANCE AND PRODUCTION		
ASPHALT RAKER	17	5.64
BUS DRIVER	21	7.96
CARPENTER	157	10.92
DELIVERY OR ROUTE WORKER	44	4.97
HEAVY EQUIPMENT OPERATOR	42	12.78
MAINTENANCE REPAIRER, GENERAL UTILITY	38	7.75
MECHANIC, AUTOMOTIVE	54	10.58
MECHANIC, DIESEL	17	13.16
MECHANIC, ENGINEERING EQUIPMENT	30	14.84
ORDER FILLER	283	8.20
PAINTER, MAINTENANCE	26	10.55
PARKING LOT ATTENDANT	19	4.86
PLUMBER/PIPEFITTER HELPER	28	11.76
SERVICE STATION/FUEL PUMP ATTENDANT/LUBRICATOR	26	4.98
STOCK CLERK, SALES FLOOR	40	5.32
TREE TRIMMER	20	6.77
TRUCK DRIVER, HEAVY	26	8.81

Table 3
Average Wage Rates of Job Orders Received
Fairbanks
1983
(Continued)

Occupation	No. of Openings	Mean Wage
ALL OTHER ASSEMBLERS	31	5.92
ALL OTHER HELPERS, SKILLED TRADES	25	7.41
ALL OTHER MECHANICS AND REPAIRERS	38	8.57
ALL OTHER SKILLED CRAFT AND KINDRED WORKERS	85	9.57
ALL OTHER OPERATORS AND SEMISKILLED WORKERS	101	8.89
ALL OTHER LABORERS AND UNSKILLED WORKERS	1,029	6.76
CLERICAL		
BOOKKEEPER, HAND	85	7.49
CASHIER	91	5.87
GENERAL OFFICE CLERK	241	7.32
PAYROLL OR TIMEKEEPING CLERK	18	7.46
PRODUCTION CLERK OR COORDINATOR	27	7.96
RECEPTIONIST	64	6.20
SECRETARY	72	8.16
STOCK CLERK, STOCKROOM, WAREHOUSE, OR STORAGE YARD	58	5.73
SURVEY WORKER	16	4.36
TELLER	19	21.71
TYPIST	80	7.30
ALL OTHER OFFICE MACHINE OPERATORS	53	7.36
ALL OTHER OFFICE CLERICAL WORKERS	152	6.24
ALL OTHER PLANT CLERICAL WORKERS	13	8.10
SALES		
SALES CLERK	124	5.92
ALL OTHER SALES AGENTS/ASSOCIATES/REPRESENTATIVES	139	6.75
ALL OTHER SALES WORKERS	14	5.42
TOTAL JOB OPENINGS	5,115	

Table 4
Alaska Job Service Offices

Anchorage Job Service
3301 Eagle Street-Suites 101-106
Anchorage, Alaska 99503
(907) 264-2631

Barrow Job Service
(Stevenson Street)
Box 525
Barrow, Alaska 99723
(907) 852-4500

Bethel Job Service
Box 187
Bethel, Alaska 99559
(907) 543-2210

Dillingham Job Service
Box 261
Dillingham, Alaska 99576
(907) 842-5579

Fairbanks Employment Center
(675 Seventh Avenue, Station D)
Pouch 1010
Fairbanks, Alaska 99707
(907) 452-1501

Glennallen Job Service
Box 145
Glennallen, Alaska 99588
(907) 822-3350

Homer Job Service
Box 2085
Homer, Alaska 99603
(907) 235-7791

Juneau Employment Center
212 Ferry Way
Juneau, Alaska 99801
(907) 586-1150

Kenai Employment Center
(110 Trading Bay Road)
Drawer 1091
Kenai, Alaska 99611
(907) 283-4304

Ketchikan Employment Center
(326 Dock Street)
Box 7878
Ketchikan, Alaska 99901
(907) 225-3181

Kodiak Employment Center
(309 Center Street)
Box 1546
Kodiak, Alaska 99615
(907) 486-3105

Kotzebue Job Service
Box 295
Kotzebue, Alaska 99752
(907) 442-3280

Mat-Su Employment Center
(1½ Mile Knik Road)
Pouch Z
Wasilla, Alaska 99687
(907) 376-2407

Nome Job Service
(Front Street)
Box 161
Nome, Alaska 99762
(907) 443-2626

Petersburg Job Service
(414 Main Street)
Box 389
Petersburg, Alaska 99833
(907) 772-3791

Seward Employment Center
(Municipal Bldg., Room 203)
Box 875
Seward, Alaska 99664
(907) 224-5276

Sitka Employment Center
(304 Lake Street)
Box 1189
Sitka, Alaska 99835
(907) 747-3347

Tok Job Service
(Second Street)
Box 439
Tok, Alaska 99780
(907) 883-5629

Unalaska-Dutch Harbor Job Service
Box 554
Dutch Harbor, Alaska 99692
(907) 581-1580

ALASKA

By Ed Eboch

Alaska has experienced the best and worst of employment the past twelve months with record levels of employment and record levels of unemployment. Nonagricultural wage and salary employment in January and February was the highest ever as was January's revised 13.2% and February's preliminary 13.1% unemployment rates. January's number set an unemployment rate record for the state. While employment improved slightly in February the increase was not sufficient to dramatically reduce the ranks of the unemployed.

Causes of Unemployment

Total unemployment is a function of economic conditions and policy action. The causes of unemployment fall into four broad categories with elements of each found in any jobless situation. The most commonly recognized and probably the most important for the U.S. as a whole is cyclical unemployment. This is unemployment associated with the ups and downs of the business cycle. Alaska has been fortunate that it was not significantly impacted by the recent business downturn. Except for the forestry products industry, the only industries showing some weakness were mining and tourism. Even within the forest industry logging employment has remained reasonably strong. Since the recent worldwide recession placed little downward pressure on Alaska's employment the recovery will be unlikely to have a significant upward impact.

The second cause of unemployment is unemployment related to fluctuations that occur during the year. This is referred to as seasonal unemployment and is probably the most widespread form of unemployment in Alaska. It explains the large swings over the year and between communities at any one time. With the exception of government all of Alaska's basic industries have a strong seasonal variation in employment. Mining, manufacturing (fish and forest processing) and tourism have sharp swings in employment related to the seasons as does construction. These swings affect support industries which also adjust their employment levels to the seasonal changes of the basic industries.

The current high unemployment rate is probably associated with record levels of employment in the construction industry. There is evidence that construction workers remained in state after a strong construction season that lasted late into the year and already shows signs of picking up. The cost of the job search, the cost of a move, and lower wage expectations discouraged construction workers from looking outside Alaska for work for the anticipated short layoff period. In addition, unemployment in the construction industry nationwide exceeded 15% in February, which means jobs are scarce throughout the U.S. in construction.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/ 2/84	R/ 1/84	2/83	CHANGES FROM: 1/84	2/83
Nonag. Wage & Salary	202200	199500	192900	2700	9300
Mining	8200	8100	8300	100	-100
Construction	15000	15000	14300	0	700
Manufacturing	7200	6700	7600	500	-400
Food & Kindred Prod.	2800	2300	3100	500	-300
Lumber & Paper Prod.	1700	1700	1800	0	-100
All Other Mfg.	2700	2700	2700	0	0
Trans. Comm. & Utilities	17300	17300	17200	0	100
Trucking & Whseing.	2100	2100	2200	0	-100
Water Transportation	1200	1200	1000	0	200
Air Transportation	5400	5400	5100	0	300
Other Trans. Comm. & Utilities	8600	8600	8900	0	-300
Trade	42200	42500	37400	-300	4800
Wholesale	7900	8000	7400	-100	500
Retail	34300	34500	30000	-200	4300
General Merchandise & Apparel	4800	5000	4300	-200	500
Food Stores	5900	5900	4900	0	1000
Eating & Drinking Places	11600	11200	10400	400	1200
Other Retail Trade	12000	12400	10400	-400	1600
Finance-Ins. & R. Estate	10600	10600	9800	0	800
Services & Misc.	37900	37200	37300	700	600
Government	63800	62100	61000	1700	2800
Federal	17600	17300	17300	300	300
State	19300	18200	19000	1100	300
Local	26900	26600	24700	300	2200

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes premilinary estimates.

R/ Denotes revised estimates.

A third cause of unemployment is referred to as frictional unemployment. This is a temporary situation caused by the difficulties of matching available workers with available jobs. Contrary to past immigration patterns new employees are arriving with their families. Where the spouse enters the work force it takes time to adjust their skills with the needs of the market. This an ongoing problem.

The final cause of unemployment arises from basic changes in the composition of labor demand and the failure of the labor supply to accommodate new market conditions. This is referred to as structural unemployment. We may be seeing signs of this in the forest products industry as round logs, off private lands, begin to supplant processed timber, off state and federal lands, in the Japanese market. In addition, low oil prices make petrochemical products competitive with the synthetic materials produced from Alaska pulp. Weaker markets and reduced output for pulp results in less employment in the pulp and paper sectors.

Construction Employment

Historically construction employment in the U.S. has averaged about 5% of total nonagricultural employment. In Alaska the average has been closer to 7% ranging from 6.2% in 1980 to a high of 17.8% in 1976. Beginning with the 1982 construction season, as a percent of total nonagricultural employment, construction employment began to surge reaching 8.4% in 1982 and 9.5% last year. Alaska's resource based economy and the expansion of an underdeveloped infrastructure contribute to the higher percent of employment in construction relative to the U.S. in general. There is still a need for expanded infrastructure facilities and strong state expenditures will keep construction employment up in these areas. Speculation in residential and commercial building contributed to the latest surge in construction. The 1983 figures were also pushed upward by activities on the North Slope.

If the current list of planned private projects and anticipated state funded projects occur as scheduled, 1984 should still be a good year for Alaska's construction industry. Early indications are that construction employment will be greater than normal but below the record levels of 1983. With less activity on the North Slope and a surplus of residential housing and commercial office space some areas of weakness will be apparent. One common feature of construction booms is that they are followed with lower than average levels of construction employment as demand for the completed projects catches up with the oversupply. While its unlikely that the levels of 1983 will be reached no major downturn in construction employment is expected for 1984. Should 1984 activities moderate to more normal levels Alaska may avoid the "bust" in construction employment that would normally follow an overbuilding period.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 2/84	R 1/84	2/83	P 2/84	R 1/84	2/83	P 2/84	R 1/84	2/83	P 2/84	R 1/84	2/83
Alaska Statewide	225944	220141	212230	29524	29051	27463	13.1	13.2	12.9	196420	191090	184767
Anchorage-Matsu Region	118692	116057	109813	11865	11334	10979	10.0	9.8	10.0	106827	104723	98834
Anchorage	106488	104150	98568	9561	9132	8893	9.0	8.8	9.0	96927	95018	89675
Matanuska-Susitna	12204	11907	11245	2304	2202	2086	18.9	18.5	18.6	9900	9705	9159
Gulf Coast Region	24289	23367	23008	4427	4271	4257	18.2	18.3	18.5	19862	19096	18751
Cordova	1243	1225	1178	180	203	174	14.5	16.6	14.8	1063	1022	1004
Kenai	12653	12188	12003	2533	2458	2449	20.0	20.2	20.4	10120	9730	9554
Kodiak	5258	5055	5010	723	695	728	13.8	13.7	14.5	4535	4360	4282
Seward	1835	1718	1715	419	356	378	22.8	20.7	22.0	1416	1362	1337
Valdez	3300	3181	3102	572	559	528	17.3	17.6	17.0	2728	2622	2574
Interior Region	30610	29805	28495	5736	5766	4995	18.7	19.3	17.5	24874	24039	23500
Fairbanks	24989	24366	23177	4716	4772	4022	18.9	19.6	17.4	20273	19594	19155
Southeast Fairbanks	2440	2350	2230	406	385	309	16.6	16.4	13.9	2034	1965	1921
Upper Yukon	737	728	717	130	142	144	17.6	19.5	20.1	607	586	573
Yukon-Koyukuk	2444	2361	2371	484	467	520	19.8	19.8	21.9	1960	1894	1851
Northern Region	11040	10461	10677	1219	1088	889	11.0	10.4	8.3	9821	9373	9788
Barrow-North Slope	2930	2818	2805	281	290	165	9.6	10.3	5.9	2649	2528	2640
Kobuk	3450	3260	3348	402	351	310	11.7	10.8	9.3	3048	2909	3038
Nome	4660	4383	4524	536	447	414	11.5	10.2	9.2	4124	3936	4110
Southeast Region	30493	30068	29605	5013	5350	5190	16.4	17.8	17.5	25480	24718	24415
Angoon	384	376	409	47	49	86	12.2	13.0	21.0	337	327	323
Haines	1057	1052	1068	197	218	244	18.6	20.7	22.8	860	834	824
Juneau	10559	10362	10044	1309	1390	1182	12.4	13.4	11.8	9250	8972	8862
Ketchikan	6541	6400	6301	1181	1200	1165	18.1	18.8	18.5	5360	5200	5136
Outer Ketchikan	769	797	892	138	184	287	17.9	23.1	32.2	631	613	605
Prince of Wales	1474	1453	1526	295	309	396	20.0	21.3	26.0	1179	1144	1130
Sitka	4221	4194	4058	484	569	477	11.5	13.6	11.8	3737	3625	3581
Skagway	1763	1726	1719	517	517	525	29.3	30.0	30.5	1246	1209	1194
Wrangell-Petersburg	3725	3708	3588	845	914	828	22.7	24.6	23.1	2880	2794	2760
Southwest Region	10820	10383	10632	1264	1242	1153	11.7	12.0	10.8	9556	9141	9479
Aleutian Islands	2729	2643	2752	130	157	174	4.8	5.9	6.3	2599	2486	2578
Bethel	3472	3331	3402	432	423	387	12.4	12.7	11.4	3040	2908	3015
Bristol Bay Borough	392	370	394	49	42	54	12.5	11.4	13.7	343	328	340
Bristol Bay	1480	1405	1427	197	177	154	13.3	12.6	10.8	1283	1228	1273
Kuskokwim	1033	977	954	204	184	132	19.7	18.8	13.8	829	793	822
Wade Hampton	1714	1657	1703	252	259	252	14.7	15.6	14.8	1462	1398	1451

P/=Preliminary 1983 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Other Industries

With the dismal crab season affecting even the tanner crab harvest employment in seafood processing was the lowest for February since 1975. Employment levels are anticipated to average below last year's even through the peak salmon runs of summer. The prolonged slump in the forest products industry is beginning to affect the general economics and employment of the communities where the forest processing plants are located. Only time will tell whether this is a structural change or a temporary downturn due to the weak U.S. and Japanese market for timber products. With the improved worldwide economic outlook and a clearer picture of oil supply, demand, and prices the fate of the Alaska forest products industry should be resolved.

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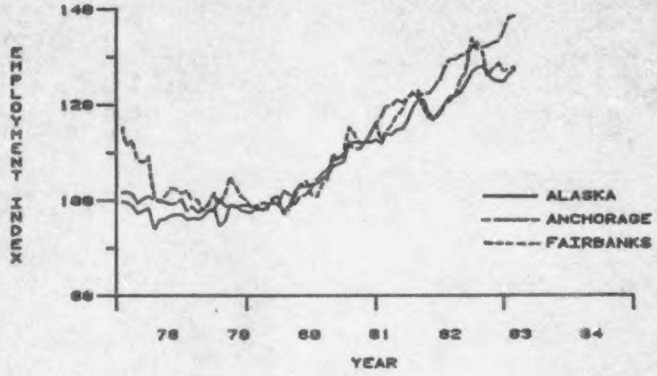
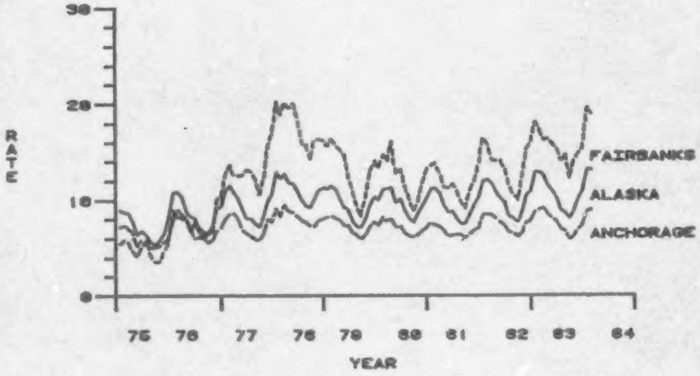
COMPOSITE NONAG EMPLOYMENT INDEXES
SEASONALLY ADJUSTED



UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED



ANCHORAGE-MATSU

By Greg Huff

Nonagricultural wage and salary employmnent in the Anchorage and MatSu areas bucked the seasonal declines of the past several months, increasing slightly over January levels. In Anchorage, community college employees going back to work after the Christmas break accounted for the major portion of the employment increase in February. Employment levels in the wholesale and retail trade sector have yet to recover from post-Christmas layoffs and construction employment is down as a result of seasonal declines in construction activity. Construction employment declined by 200 in February, but much less than the 1,000 job decline in January.

Although employment grew slightly in February the number of people unemployed, increased at a faster pace than employment, forcing the region's unemployment rate up to 10.0%, with MatSu's rate of 18.9% over twice the 9.0% Anchorage rate. It is not uncommon for the unemployment rate to increase when employment increases due to construction related layoffs and the influx of unemployed persons into the region.

Anchorage Consumer Price Index

The Bureau of Labor Statistics has released the 1983 annual average Anchorage Consumer Price Index for all Urban Consumers (CPI-U). According to the Anchorage Consumer Price Index 1983 average annual prices in Anchorage registered their smallest gain since 1965. Stable shelter costs and slight decreases in energy cost were responsible for the nominal 1.8% increase in the local index.

It is important to note that comparison of the 1983 index may not reflect actual changes in cost of living in Anchorage. Prior to 1983 the Anchorage All Items Index has been biased downward by housing data used to calculate homeownership costs. Traditionally, the BLS has calculated the change in the cost of homeownership as a weighed average of the interest rate on mortgages (as reported by the Federal Home Loan Board) and the sales price of housing with Federal Housing Administration (FHA) mortgages. The problem was that Alaska Housing Finance Corporation (AHFC) financed almost all house sales in Anchorage and the BLS did not include AHFC mortgage lending information in its survey. Lacking sufficient sample in Anchorage, BLS substituted out-of-state data.

Table 1
Anchorage CPI-U
Annual Average
1983

	Index	Percent Change
All Items	264.8	1.8
Food and Beverage	291.2	2.6
Food at home	259.6	1.9
Food away from home	286.9	3.4
Housing	261.4	0.9
Apparel and upkeep	201.8	5.2
Transportation	269.2	1.7
Medical Care	259.2	5.1
Entertainment	259.7	6.3
Other Goods and Services	255.8	8.9
Special Index		
All Items less shelter	281.8	3.7

Source: U.S. Department of Labor, Bureau of Labor Statistics *NEWS*.

In January 1983 the BLS began using a new method called rental equivalency in lieu of interest rates and home purchase prices to measure the movement of homeownership cost. In other words, the BLS began estimating homeownership costs on the basis of what it cost to rent similar houses. This method has solved the problem caused by the exclusion of AHFC-financed houses from the survey. Although the methodology change was introduced in January 1983, the price changes from 1982 to 1983 are calculated using the old methodology. With the methodology change the 1983-1984 comparisons will be an improved measure of the changing prices in the Anchorage area.

Given the problems with the Housing data in the Anchorage Consumer Price All Items Index, a better indicator of the average price from 1982 to 1983 may be the Special Index, All Items Less Shelter. With the shelter costs excluded the Anchorage CPI increased 3.7%. Even this may understate the actual changes in the cost of living. Using the new methodology adopted by the BLS, the Housing Index for Anchorage rose 6.8% from January 1983 to January 1984. Because of the weight of the Housing Index in the All Items Index this suggests average price increases probably exceeded both the 1.8% presented by the BLS release and the 3.7% of the Special Index.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P	R		CHANGES FROM:	
	2/84	1/84	2/83	1/84	2/83
Nonag. Wage & Salary	103350	103150	96300	200	7050
Mining	3550	3550	3450	0	100
Construction	7550	7750	7050	-200	500
Manufacturing	2050	2100	2000	-50	50
Food & Kindred Prod.	300	300	300	0	0
All Other Mfg.	1750	1800	1700	-50	50
Trans. Comm. & Utilities	8650	8550	8050	100	600
Trucking & Whseing.	1350	1300	1200	50	150
Water Transportation	250	250	200	0	50
Air Transportation	3450	3500	3200	-50	250
Other Trans. Comm & Utilities	3600	3500	3450	100	150
Trade	26100	26350	23300	-250	2800
Wholesale	5950	6050	5650	-100	300
Retail	20150	20300	17650	-150	2500
General Merchandise	1750	1850	1600	-100	150
Food Stores	2600	2600	2300	0	300
Eating & Drinking Places	7650	7600	6700	50	950
Other Retail Trade	8150	8250	7050	-100	1100
Finance-Ins. & R. Estate	7050	7000	6650	50	400
Services & Misc.	22850	22750	22150	100	700
Government	25550	25100	23650	450	1900
Federal	10050	9950	9850	100	200
State	6550	6100	6550	450	0
Local	8950	9050	7250	-100	1700

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P	R		CHANGES FROM:	
	2/84	1/84	2/83	1/84	2/83
Nonag. Wage & Salary	108600	108250	100700	350	7900
Mining	3600	3550	3500	50	100
Construction	7900	8100	7450	-200	450
Manufacturing	2100	2150	2050	-50	50
Trans. Comm. & Utilities	9150	9100	8550	50	600
Trade	27200	27450	24250	-250	2950
Finance-Ins. & R. Estate	7300	7300	6850	0	450
Services & Misc.	24000	23750	22800	250	1200
Government	27350	26850	25250	500	2100

FAIRBANKS/INTERIOR

By Neal Fried

Unemployment

No surprises were expected so early in the year, but Fairbanks' high unemployment rates for January and February did provide some material for surprise. January's rate of 19.6% and February's rate of 18.9% were among the highest in the state and a point or two above year-ago levels; all in spite of a growing local economy.

The culprit is largely seasonality, with a slightly new twist this year. It appears construction employees worked longer into this winter season than normal, and the layoffs came "all at once" in January. More workers may also have chosen to remain in Fairbanks after the late winter layoffs, since the beginning of the spring season startup is not far away, and they are expecting another good year. In addition, laid-off North Slope workers may have contributed to the high unemployment rates. Fairbanks supplies most of the North Slope's construction labor force. When workers lose their jobs many return home to Fairbanks and collect unemployment insurance there. What this boils down to is that there are more construction workers now than there have been in many years.

Employment

Despite these high rates of unemployment, employment numbers in 1984 continue to register at levels far above 1983. The nonagricultural wage and salary composite index series, which purges seasonality, continues to move up. February's index number of 127.8 is a full 7 points above the year ago figure. Trade employment is down slightly for the month but up significantly from last year. Services and finance, insurance and real estate employment is also above year ago numbers. The one industry which has experienced some setback is transportation, communication and utilities. Transportation has suffered some losses in trucking and Alascom's cutbacks are still being felt in communications.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P	R		CHANGES FROM:	
	2/84	1/84	2/83	1/84	2/83
Nonag. Wage & Salary	25300	24900	23800	400	1500
Mining	200	200	300	0	-100
Construction	1750	1700	1600	50	150
Manufacturing	450	450	450	0	0
Trans. Comm. & Utilities	2550	2600	2600	-50	-50
Trucking & Whseing.	350	400	400	-50	-50
Air Transportation	600	600	550	0	50
Other Trans. Comm. & Utilities	1600	1600	1650	0	-50
Trade	5350	5450	4650	-100	700
Wholesale	900	900	850	0	50
Retail	4450	4550	3800	-100	650
Gen. Merchandise & Apparel	400	450	350	-50	50
Food Stores	750	750	650	0	100
Other Retail Trade	3300	3350	2800	-50	500
Finance-Ins. & R. Estate	950	950	900	0	50
Services & Misc.	4900	4850	4700	50	200
Government	9150	8700	8600	450	550
Federal	2550	2500	2500	50	50
State	3950	3600	3850	350	100
Local	2650	2600	2250	50	400

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P	R		CHANGES FROM:	
	2/84	1/84	2/83	1/84	2/83
Nonag. Wage & Salary	28700	28100	27150	600	1550
Mining	300	300	400	0	-100
Construction	1850	1800	1600	50	250
Manufacturing	500	500	450	0	50
Trans. Comm. & Utilities	3250	3250	3350	0	-100
Trade	5650	5700	5050	-50	600
Finance-Ins. & R. Estate	1000	1000	950	0	50
Services & Misc.	5150	5100	4950	50	200
Government	11000	10450	10400	550	600

GULF COAST

By Neal Fried

Valdez 1980-1983

The Department of Labor does not produce a wage and salary or labor force statistical series specifically for the City of Valdez. Instead it produces these numbers for the larger Valdez-Chitina-Whittier census division. This division includes a number of communities outside of Valdez including Glennallen, Gulkana, Whittier, Gakona as well as number of other smaller communities. The community of Valdez, with more than 50% of the census divisions's total employment sets the pace for this area.

Valdez's recent economic history has differed from most of Alaska's communities. During the past 3 years many of Alaska's communities have benefited from state funded construction activities. Their economies have been stimulated from record state expenditures and construction employment reached new highs in many of these communities in 1983. Many of the projects these communities have undertaken are attempts to permanently expand their economic base.

Valdez has already gone through much of this phase. With the completion of the oil pipeline in 1977, Valdez was left with a dramatically larger tax base generated by the oil pipeline terminus. This expanded tax base gave Valdez the opportunity to work on a number of large projects before most other communities in the state could do so. Whereas most of these projects in other communities had to wait for state funding, which was not forthcoming until 1981 or later, Valdez was able to strike out on its own at an earlier date.

Projects which Valdez has undertaken include a large Civic Auditorium used for local events and conventions, a container terminal and floating dock, a grain terminal for Delta's grain harvests, and a variety of other smaller projects. Valdez hopes these projects will help diversify its economy, and steer it away from being so dependent upon oil. Time will be the judge of the success of diversification.

Two private sector projects which are planned for this year will compliment Valdez's efforts in expanding and diversifying its economic base. Ground for a new $10 million hotel is expected to be broken this spring. This will allow Valdez to host larger conventions and will also boost its capacity for a growing tourist sector. A new fish processing plant is also being planned, bringing the total number of plants to 3.

Employment

Valdez's wage and salary employment has remained largely stable during the past 3 years. The real spurt of growth took place between 1978-1981, when employment grew by 23%. Construction dipped in 1983 because of the completion of the Civic Auditorium, port facility, and a slower residential construction year. Transportation employment also came down as a result of Alyeska's recent trimming of its work force. Trade has remained strong, partially as a result of a good tourist season. Most other sectors remained stable.

Valdez-Chitina-Whittier
Nonagricultural Employment
1980-1983

	1980	1981	1982	1983 1/
Total Nonagricultural Employment	2,381	2,510	2,537	2,378
Mining	•	•	•	•
Construction	290	268	242	186
Manufacturing	•	•	•	•
Transportation	506	544	556	498
Trade	189	236	260	265
Wholesale	30	38	40	40
Retail	159	198	220	225
Finance, Insurance & Real Estate	74	52	48	47
Services	469	391	433	408
Government	839	872	897	889
Federal	40	35	36	32
State	412	415	411	409
Local	396	422	450	448

• Nondisclosable

1/ Fourth quarter has been estimated.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P 2/84	R 1/84	2/83	CHANGES FROM: 1/84	 2/83
Nonag. Wage & Salary	17100	16800	16200	300	900
Mining	700	700	700	0	0
Construction	1300	1300	1150	0	150
Manufacturing	1700	1550	1850	150	-150
Food & Kindred Prod.	1100	900	1250	200	-150
All Other Mfg.	600	650	600	-50	0
Trans. Comm. & Utilities	2250	2200	2050	50	200
Trade	2900	2900	2500	0	400
Wholesale	400	400	350	0	50
Retail	2500	2500	2150	0	350
Finance-Ins. & R. Estate	450	450	450	0	0
Services & Misc.	2800	2800	2600	0	200
Government	5000	4900	4900	100	100
Federal	500	500	500	0	0
State	1450	1400	1450	50	0
Local	3050	3000	2950	50	100

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment increased by 350 jobs in February to 26,050. The increase represented 1.4% growth in employment over January's level. Compared to one year ago, Southeast Alaska's employment has increased 3.6%.

Increases in Southeast employment in February were spread across all industries. With the exception of retail trade, every industry either increased the number of persons working or held steady at January's level. This is an indication that Southeast Alaska has passed its seasonal low and is beginning the spring turnaround.

Government employment was the largest single contributor to growth in February, providing 200 more jobs than in January. State government employment was boosted by the beginning of the second semester on the campuses of the University of Alaska. Local government employment increased due to a combination of growth in both education and non-education related government employment. Transportation, communication and public utilities was another contributor to employment growth over the month. Increased activity in the water transportation sector was largely responsible for the upward movement in this industry. Construc-

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P 2/84	R 1/84	2/83	CHANGES FROM: 1/84	2/83
Nonag. Wage & Salary	26050	25700	25150	350	900
Construction	1300	1250	1250	50	50
Manufacturing	1900	1850	2050	50	-150
Food & Kindred Prod.	350	350	400	0	-50
Lumber & Paper Prod.	1350	1300	1450	50	-100
All Other Mfg.	200	200	200	0	0
Trans. Comm. & Utilities	1900	1800	1800	100	100
Trade	4250	4350	3950	-100	300
Wholesale	400	400	350	0	50
Retail	3850	3950	3600	-100	250
Finance-Ins. & R. Estate	1000	1000	900	0	100
Mining, Services & Misc.	4050	4000	3850	50	200
Government	11650	11450	11350	200	300
Federal	2050	2050	1950	0	100
State	5450	5350	5500	100	-50
Local	4150	4050	3900	100	250

tion, manufacturing and services all made small contributions to employment growth in the region but these had significant impact only when considered cumulatively rather than as individual industries. On the down side, retail trade employment dropped as activity decreased in food store employment and general retail trade activity. This was due to layoffs following the holiday buying season.

Wrangell Mill Closing

Headlines of the past several months have not been encouraging for the wood products industry. There seems to be a concensus that the industry is in its worst shape in 30 years. The Wrangell mill closure in February is another sign that this industry is facing tough times. Yet our *Alaska Economic Trends* estimate for the wood products industry shows a net gain in employment in that industry in February. Is all the talk about the industry a smokescreen or is something else effecting the employment numbers? In this case, our numbers for February might be considered misleading. The survey from which we estimate employment is dependent upon employment as of the week that includes the 12th day of the month. In this case, the Wrangell Mill had not shut down during the week of February 12th. Therefore, their employees are included in the employment numbers for the month of February. Last month, the opposite situation occurred with the University of Alaska. With the late start for the second semester many university employees started working after the survey week and therefore were not included in January's totals. Users of data published in *Alaska Economic Trends* should be aware that statistics of this type have their limitations and that good analysis is dependent upon knowing the limitations of the statistics you're working with.

HOURS AND EARNINGS

By John Boucher

Alaska average hours and earnings for the month of January remained relatively stable when compared to December levels. Average hours and average weekly earnings were both down slightly in trade as retailers returned to normal business hours after the holiday season. Average hours and earnings and weekly earnings in Alaskas lumber and paper products industry declined by 7% and 2%, respectively, largely due to decreasing employment in Southeast Alaska logging.

The food and kindred products sector of the manufacturing industry was a pleasant surprise in January posting gains in all three categories of the survey. Although crab openings have not been very fruitful, it looks to be an improvement over the total closures of late 1983. Increasing activity in the bottomfish area could also be helping to shore up the totals in this industry.

The construction industry increased average weekly hours by 5.7% over December, a sign that activity in that industry is picking up after the holiday sabbatical. It is interesting to note that all three categories of hours and earnings are down slightly in the construction industry when compared to the year ago totals. Although January is not a month that would tip off the direction this years construction season will take when compared to 1983, future hours and earnings data will be useful in comparing the coming construction season to the record construction of 1983.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES [1,2]

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p 1/84	r 12/83	1/83	p 1/84	r 12/83	1/83	p 1/84	r 12/83	1/83
Mining	$21.19	$22.88	$23.02	49.8	46.0	49.8	$1055.26	$1052.48	$1146.40
Contract Construction	23.61	24.01	23.62	40.7	38.5	40.9	960.93	924.39	966.06
Manufacturing	15.77	14.79	14.70	33.1	33.2	30.2	521.99	491.03	443.94
Food & Kindred Products	9.00	8.60	9.04	22.2	21.6	17.6	199.80	185.76	159.10
Lumber & Paper Products	19.63	18.51	17.32	37.1	40.1	37.8	728.27	742.25	654.70
Trans. Comm. & Utilities	15.82	15.99	14.98	37.1	36.6	38.3	586.92	585.23	573.73
Trade	10.56	10.13	9.75	33.8	35.5	34.3	356.93	359.62	334.43
Wholesale	12.59	12.34	11.13	36.9	37.5	37.1	464.57	462.75	412.92
Retail	9.76	9.33	9.19	32.8	34.8	33.4	320.13	324.68	306.95
Fin.-Ins. & Real Estate	—	—	—	—	—	—	~~355.11~~	357.40	372.78

[1] Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

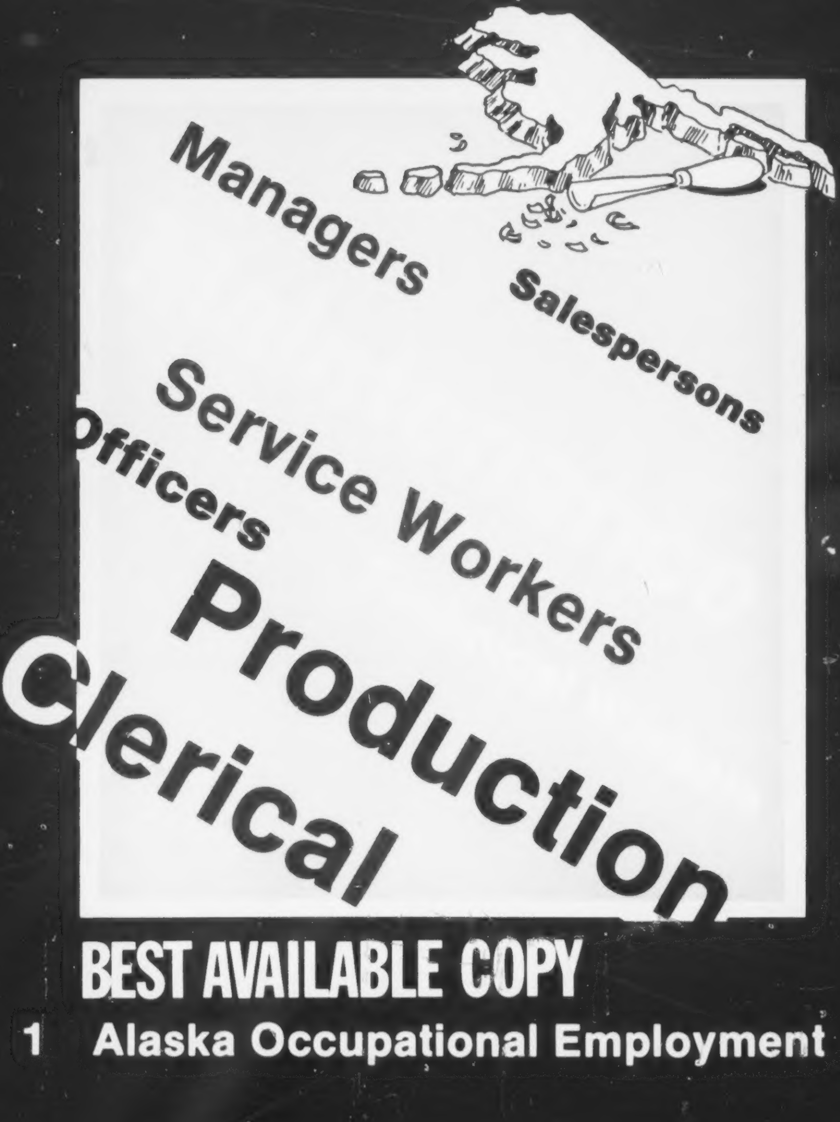
[2] Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

MAY 1984

ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska


Managers
Salespersons
Service Workers
Officers
Production
Clerical

BEST AVAILABLE COPY

1 Alaska Occupational Employment

BEST AVAILABLE COPY

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Ed Eboch, *Editor*

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JOB SERVICE

May 1984
Volume 4
Issue 5

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

ALASKA OCCUPATIONAL EMPLOYMENT

By John Van Houten

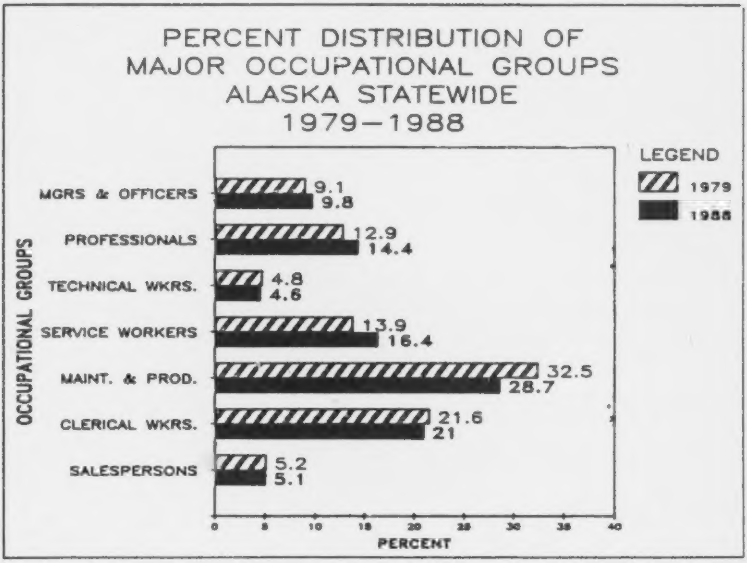
Research and Analysis' most recent employment estimates and projections indicate a continuation of a trend, similar to the national trend, that has been evident for several years in Alaska. Rapid expansion of high technology has focused attention on high-tech occupations associated with computers, communications, and robots. These areas, which have grown faster than the economy as a whole, are expected to continue to grow faster. Technology advances notwithstanding, high-tech jobs will remain a small slice of the employment pie. Traditional occupations will offer by far the greatest number of employment opportunities now and through the 1980's. The majority of job openings will continue to be in clerical, service, maintenance and production occupations.

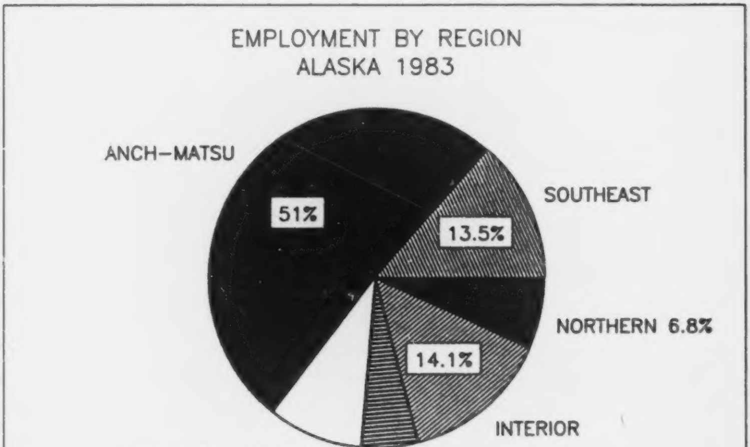
This article is the first of two covering Research and Analysis' most recent occupational employment estimates and projections. A subsequent issue of *Alaska Economic Trends* will contain a detailed outlook for some 230 specific occupations in Alaska, Anchorage, and Fairbanks. The following pie charts and bar graph are useful in gaining a perspective of Alaska employment patterns and occupational opportunities. They give comparisons of estimated employment distribution, by both major occupational groups and industries, among the United States, Alaska statewide, six geographical regions, Anchorage, and Fairbanks. The following are some highlights of the information contained in the charts and graphs:

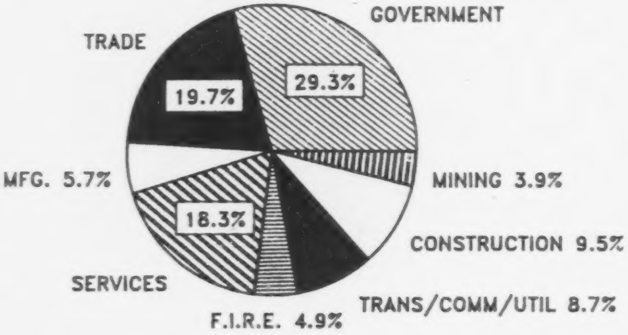
- ★ Service workers (which include janitors/cleaners, waiters/waitresses, and food service workers) are projected to have the largest increase in percentage of total jobs between 1979 and 1988.
- ★ Maintenance and production occupations account for 29% of Alaskan employment followed by clerical jobs at 21%.
- ★ Anchorage-MatSu region accounted for half of all Alaska's employment in 1983.
- ★ Government (federal, state, local) accounts for about 30% of Alaskan employment followed by trade industries with about 20%
- ★ Sales occupations in Alaska account for 5% of the employment; in the United States they account for 12%.

- ★ Professionals' slice of the employment pie is fairly constant in all 6 Alaskan regions; a high of 16% is in the Southeast, a low of 10.9% in the Gulf Coast region.
- ★ Maintenance and production workers have a high of 48% in Alaska's Northern region and a low of 22.1% in Anchorage-MatSu; 30% of the U.S. employment is in maintenance and production occupations.

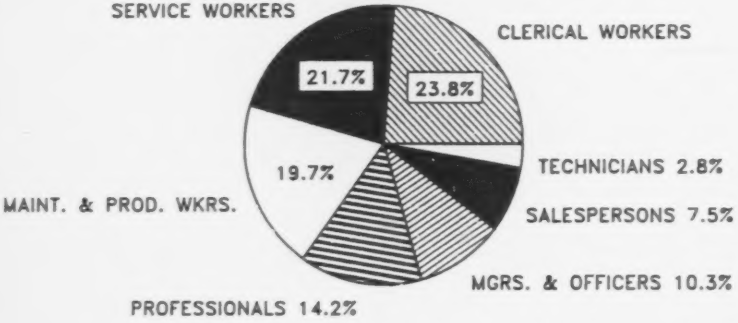
In the following graphs F.I.R.E. stands for Finance Insurance and Real Estate.


PERCENT DISTRIBUTION OF MAJOR OCCUPATIONAL GROUPS ALASKA STATEWIDE 1979–1988


EMPLOYMENT BY REGION ALASKA 1983



EMPLOYMENT
PERCENT DISTRIBUTION BY MAJOR INDUSTRY
ALASKA STATEWIDE
1983



JOB OPENINGS
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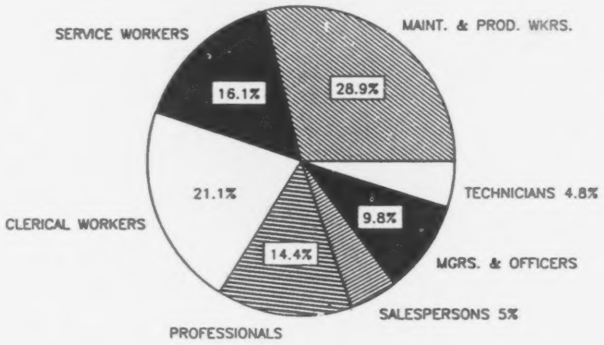
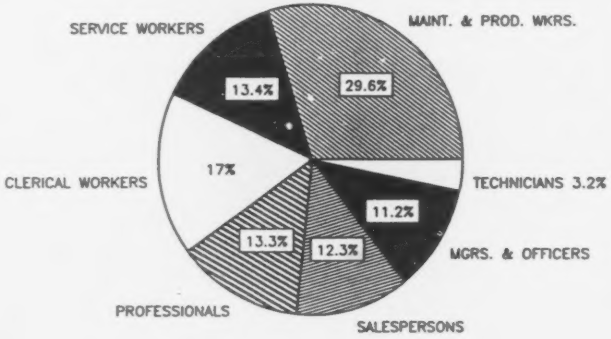
ALASKA STATEWIDE ANNUAL AVERAGE 1983–1988



EMPLOYMENT ESTIMATES
PERCENT DISTRIBUTION OF MAJOR OCCUPATIONAL GROUPS
ALASKA STATEWIDE
1984



EMPLOYMENT ESTIMATES
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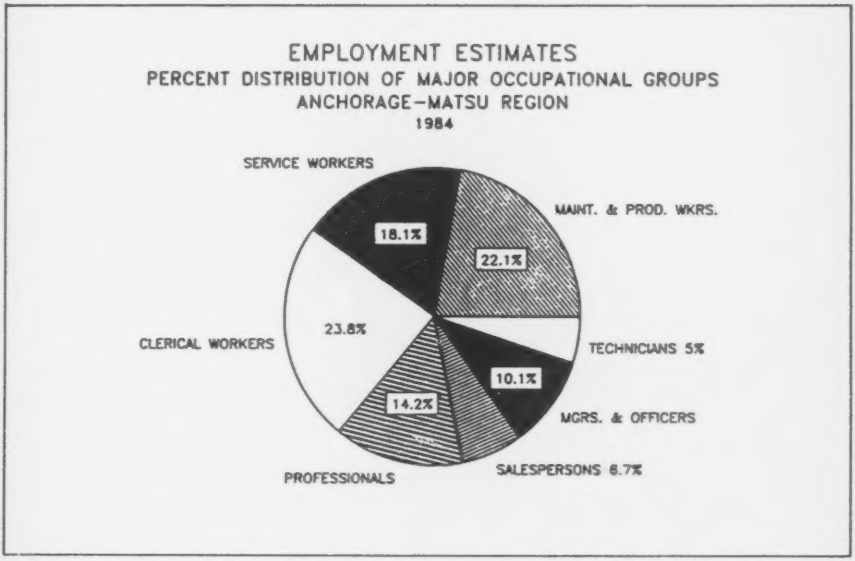
UNITED STATES
1983



EMPLOYMENT ESTIMATES
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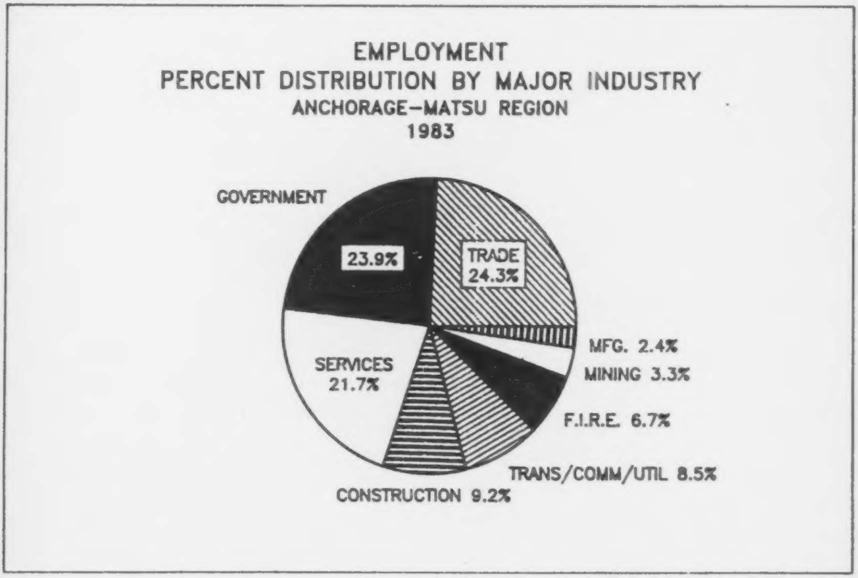
ANCHORAGE-MATSU REGION
1984



EMPLOYMENT
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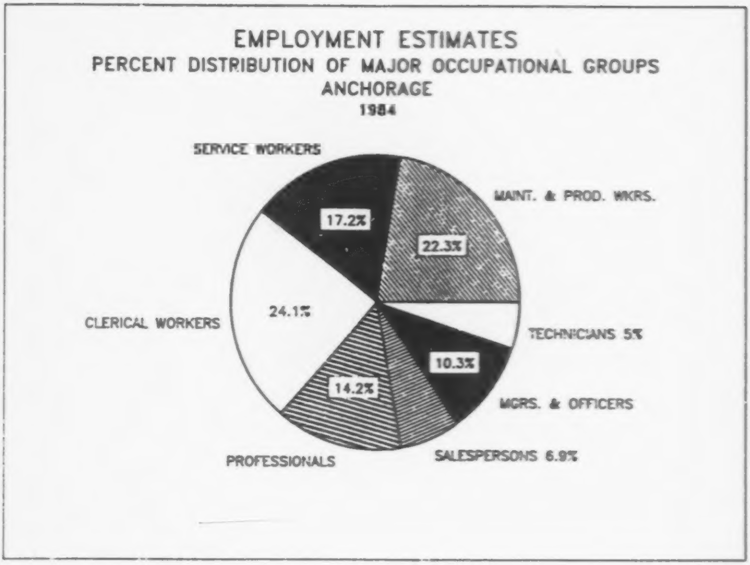
1983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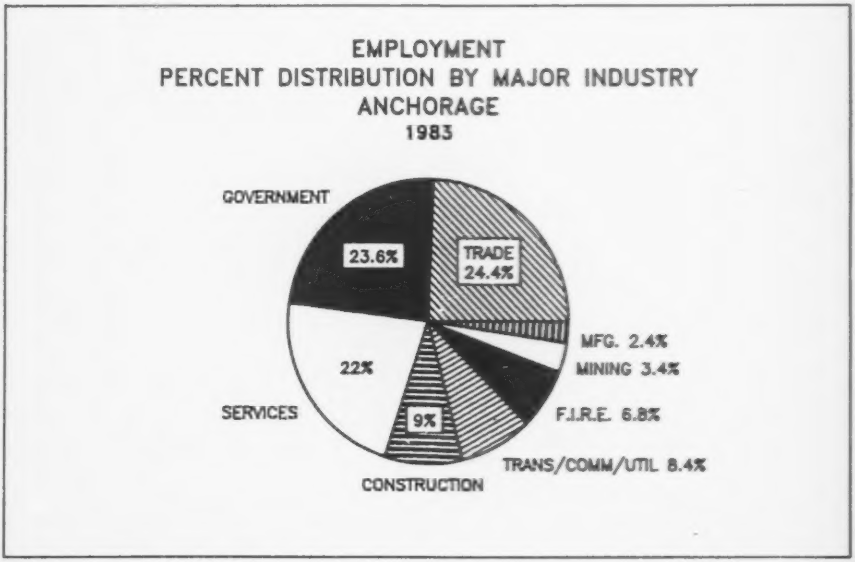
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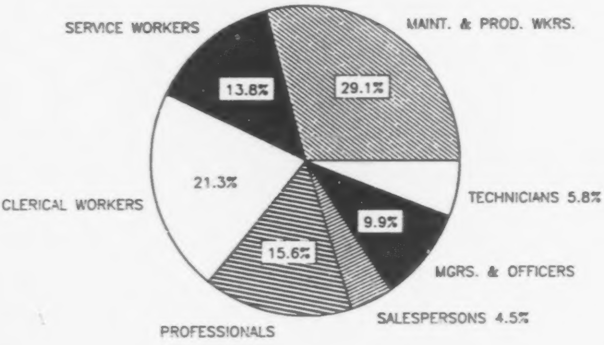
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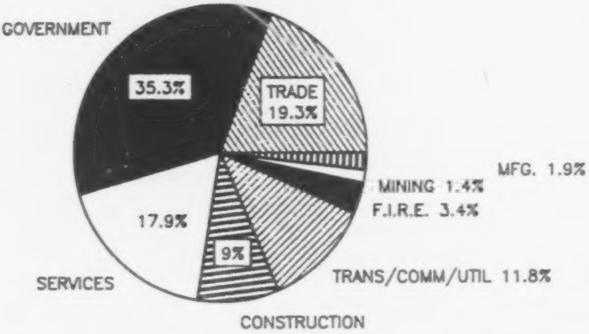
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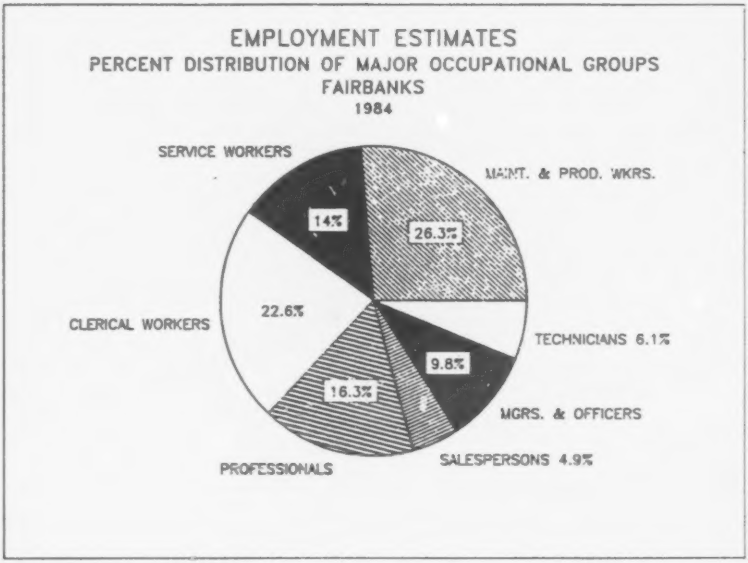

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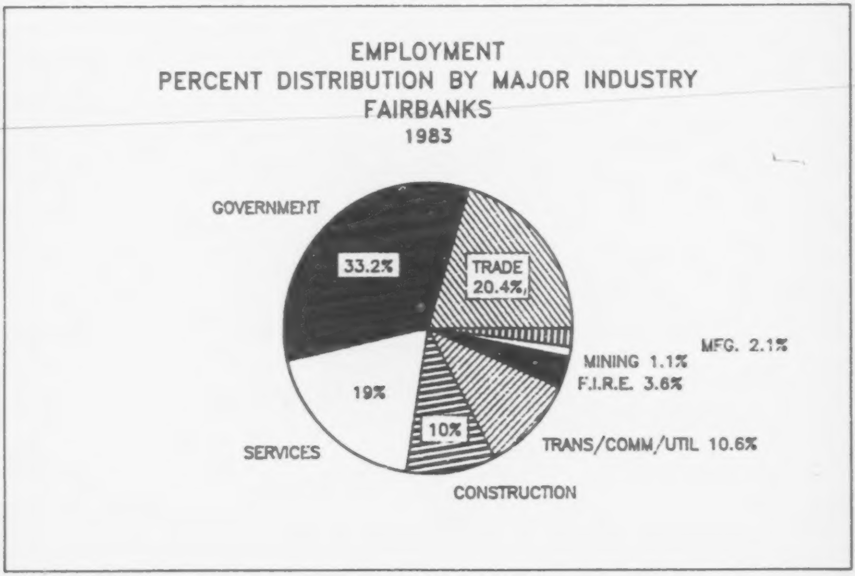
FAIRBANKS
1984



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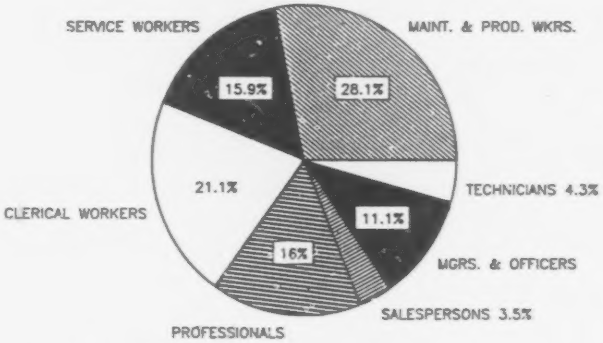
FAIRBANKS
1983



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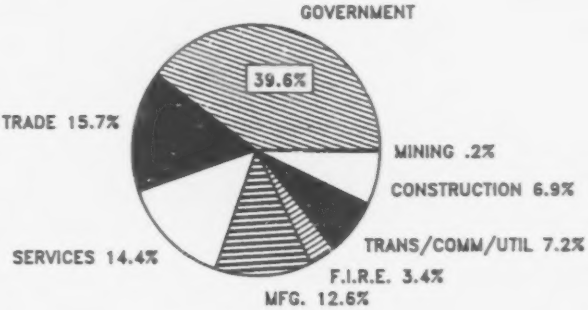
SOUTHEAST REGION
1984



EMPLOYMENT
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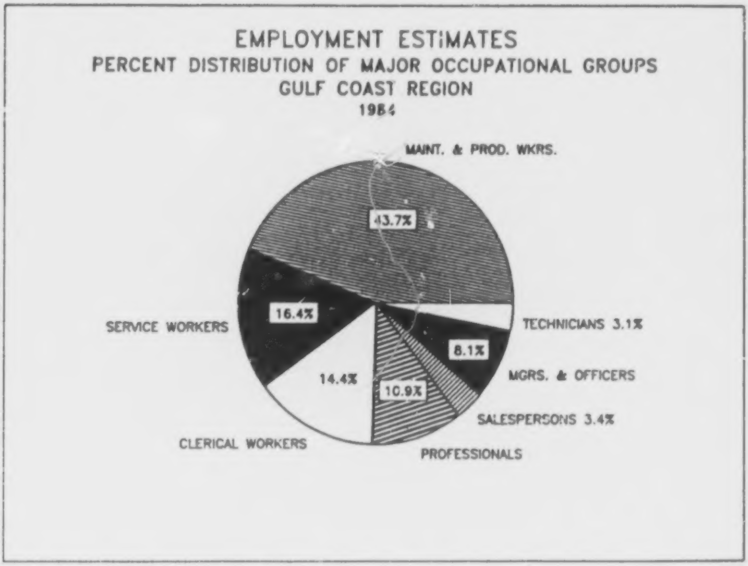
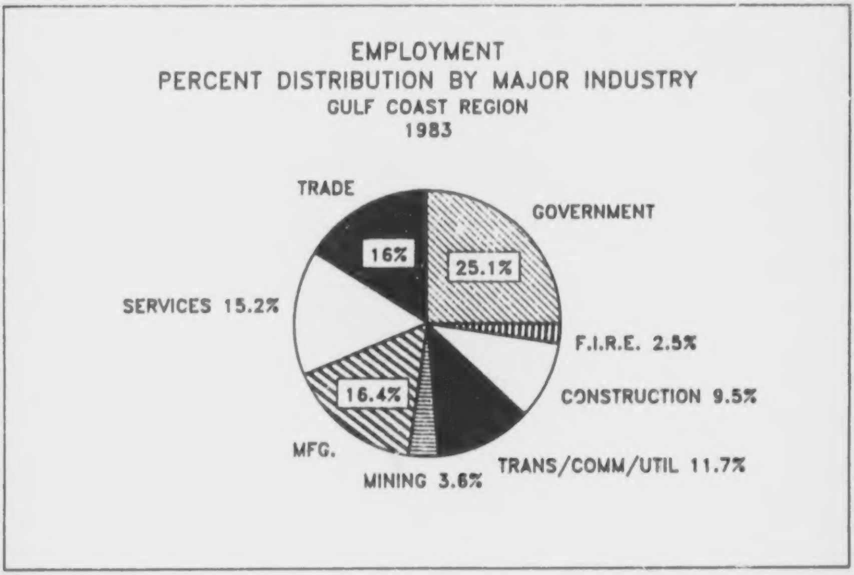
1983



EMPLOYMENT ESTIMATES
PERCENT DISTRIBUTION OF MAJOR OCCUPATIONAL GROUPS
GULF COAST REGION
1984



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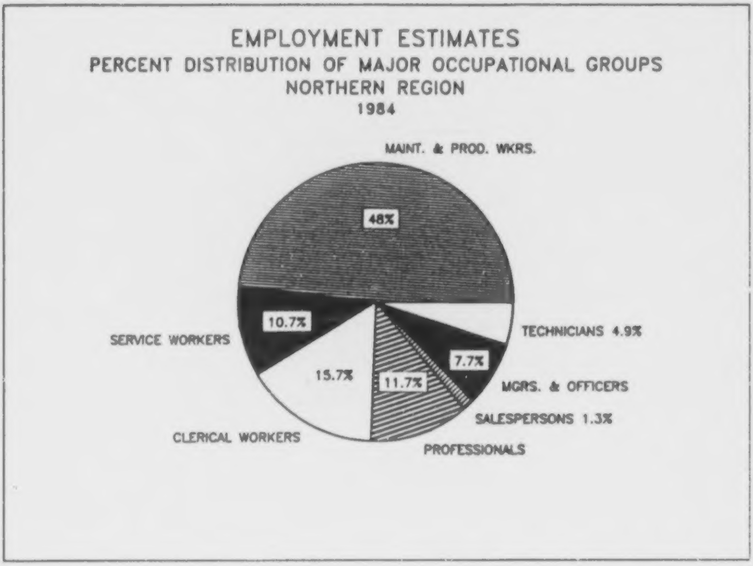
PERCENT DISTRIBUTION BY MAJOR INDUSTRY
GULF COAST REGION
1983



EMPLOYMENT ESTIMATES
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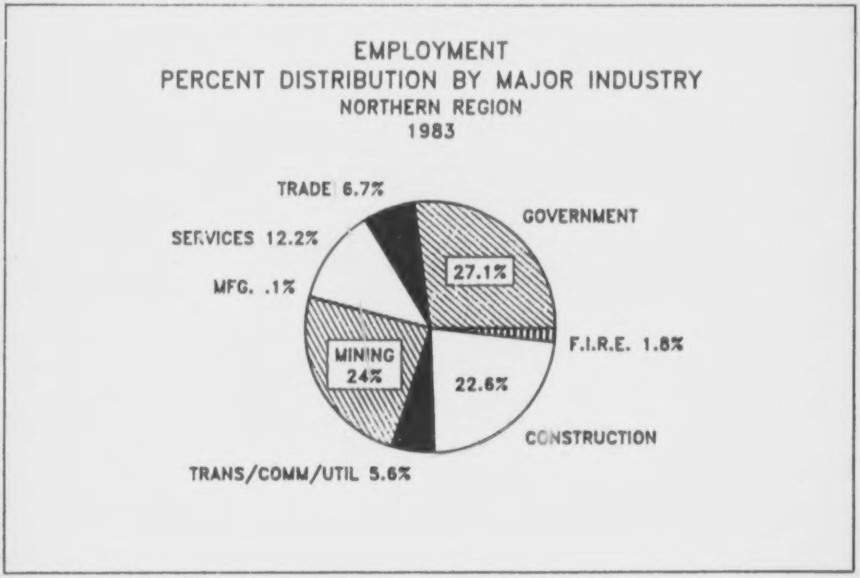
NORTHERN REGION
1984



EMPLOYMENT
PERCENT DISTRIBUTION BY MAJOR INDUSTRY
NORTHERN REGION
1983

EMPLOYMENT ESTIMATES
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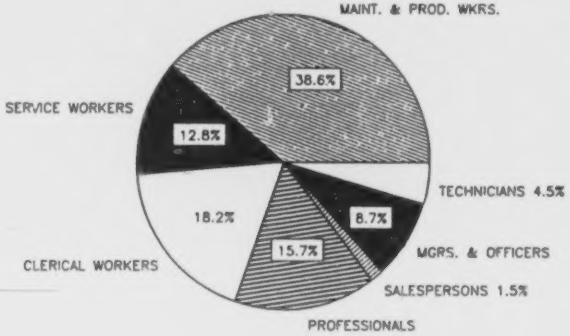
SOUTHWEST REGION
1984



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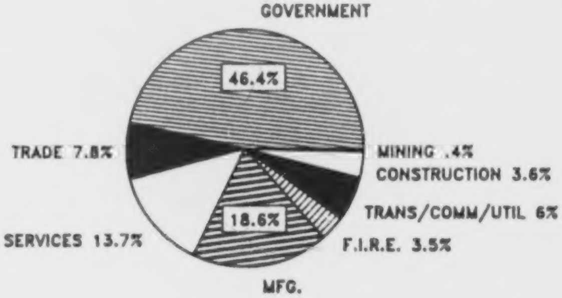


1984 - 1985 FAIRBANKS EMPLOYMENT FORECAST

By Neal Fried and Greg Huff

To see if the recent record levels of unemployment are indications of a softening of employment demand in Fairbanks, Research & Analysis has made a forecast of employment demand over the next 18 months.

The Model

An 18 month employment forecast for Fairbanks was produced by using the ARIMA (Auto Regressive Integrated Moving Average) modeling technique. This is the first time this model has been used to forecast employment in Fairbanks. The model is designed to provide a two year forecast. In many ways the ARIMA model is better suited for short-term forecasting than more sophisticated econometric models. Each industry is forecast individually, using past years experience to arrive at estimated future employment. These figures were reviewed and adjusted where it was determined the model was unable to account for specific events. Most of the forecasts are based on 5 years of data. The historical data are limited to 5 years to avoid using pipeline era data which can be extreme due to rapid in-migration.

Employment Outlook

Employment in Fairbanks has grown rapidly during the past 3 years, and the forecast indicates continued growth through the first 6 months of 1985 (see table). The growth rate for 1984 is projected to be 3.0%. This reflects a slowing of employment growth from a high of 9.5% in 1981 to 7.2% in 1983. The slowdown is a result of moderating growth rates for past high growth industries and no growth from other industries.

High Growth Industries

The industries which will be responsible for most of the employment growth during the forecast period include trade, services and government. During the past 3 years it was not unusual for services and trade to grow at double digit levels in a year. These industries have grown as a result of increased incomes, population and state spending. The rate of growth will slow during the forecast period, but nevertheless trade and services are forecast to create most of the growth in private sector employment. Government will also increase employment. Federal government will inch upwards as additional military civilian support personnel are needed. State government is expected to grow because of increasing University of Alaska enrollments and a growing population. Local government employment is forecasted to respond the most to Fairbanks' growing school enrollment and larger population.

Other Industries

Construction employment is the big question mark. According to the forecast, construction employment is expected to remain stable in 1984, largely a result of easing residential construction. There is the possibility that construction employment could remain very strong, particularly if Eielson AFB housing is built this year.

Transportation, communications and utilities will remain flat after experiencing some losses due to Alascom's layoffs. Trucking employment slowed last year and is not expected to pick up in 1984. This is largely a result of less activity on the North Slope this year. Employment in finance, insurance and real estate will remain flat, partially due to the banking industry's consolidation and increased efficiencies. This industry also tends to be more stable than most others.

Fairbanks Employment Forecast
1983-1985*

	Annual Average		Changes		First 6 Months	
	1983	1984	Percent	# of Jobs	1984	1985
Total Nonag. Employment	26700	27500	3.0	800	26500	27300
Mining	300	350	16.6	50	200	250
Construction	2700	2700	-	-	2300	2200
Manufacturing	500	450	-10.0	-50	500	500
Trans. Comm. & Utilities	2800	2800	-	-	2700	2700
Trade	5500	5750	4.5	250	5500	5800
Wholesale	900	950	5.6	50	950	1000
Retail	4600	4800	4.3	200	4550	4800
Fin.-Ins. & Real Estate	1000	1000	-	-	950	1000
Service & Miscellaneous	5100	5250	2.9	150	5050	5250
Government	8900	9250	3.9	350	9300	9600
Federal	2600	2700	3.8	100	2650	2650
State	3800	3950	3.9	150	3950	4100
Local	2500	2650	6.0	150	2700	2850

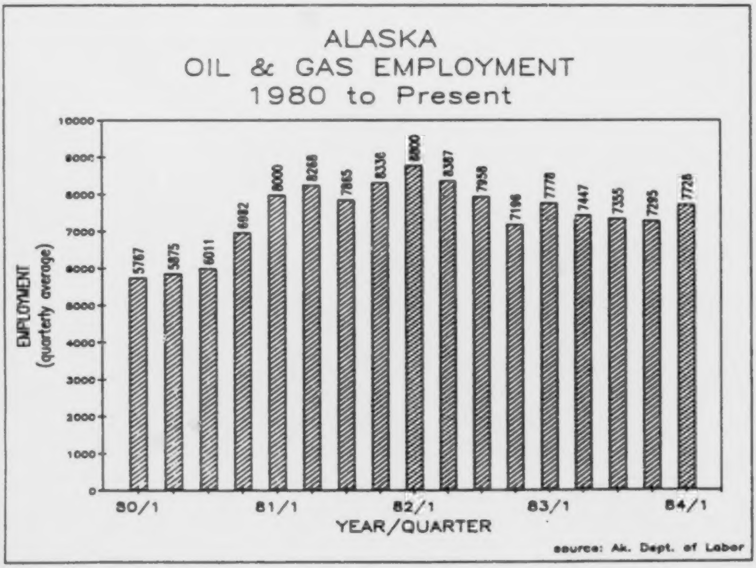
* 1985 Forecast is only for the first six months of the year.

ALASKA

By Ed Eboch

Nonagricultural wage and salary employment improved in March but less than anticipated. While manufacturing employment was up from a month ago, disappointing seafood harvests resulted in a year to year drop in fish processing employment. Due to the continued slump in the forestry industry, accentuated by the closure of the Wrangell sawmill, forest products employment was also below March 1983. With problems in these industries occurring at the same time, employment in manufacturing is the lowest since 1977.

Of more significance to the state as a whole is the continued decline of oil and gas employment from the peaks of February 1982. While employment appears to be stabilizing, March 1984 employment is below the March 1983 level.



source: Ak. Dept. of Labor

Oil and gas is Alaska's most important basic industry. Although only 7,500 people are directly employed in the industry, oil and gas expenditures and tax revenues are the driving force in Alaska's economy. State and local government, and construction employment have benefited directly by increased state revenues and expenditures but all sectors are positively

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P	R		CHANGES FROM:	
	3/84	2/84	3/83	2/84	3/83
Nonag. Wage & Salary	205300	202100	197400	3200	7900
Mining	8300	8200	8300	100	0
Construction	15500	15000	15100	500	400
Manufacturing	8300	7100	8900	1200	-600
Food & Kindred Prod.	3700	2700	4100	1000	-400
Lumber & Paper Prod.	1900	1700	2100	200	-200
All Other Mfg.	2700	2700	2700	0	0
Trans. Comm. & Utilities	17600	17400	17300	200	300
Trucking & Whseing.	2100	2100	2100	0	0
Water Transportation	1300	1300	1100	0	200
Air Transportation	5500	5400	5200	100	300
Other Trans. Comm. & Utilities	8700	8600	8900	100	-200
Trade	42000	42100	38300	-100	3700
Wholesale	8000	7900	7600	100	400
Retail	34000	34200	30700	-200	3300
Gen. Merchandise & Apparel	4700	4800	4400	-100	300
Food Stores	5900	5900	5000	0	900
Eating & Drinking Places	11700	11600	10800	100	900
Other Retail Trade	11700	11900	10500	-200	1200
Fin.-Insurance & R. Estate	10800	10600	9900	200	900
Services & Misc.	38600	37900	37700	700	900
Government	64200	63800	61900	400	2300
Federal	17400	17500	17600	-100	-200
State	19500	19300	19300	200	200
Local	27300	27000	25000	300	2300

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983

P/ Denotes premilinary estimates.

R/ Denotes revised estimates.

impacted. Over 80% of state revenues come from petroleum and with investment income included, the value of petroleum's contribution to state revenues exceeds 90%. These revenues are spent for expanded infrastructure and state and local services and state government.

The oil and gas industry's capital investment contributes strongly to construction employment. Oil industry and state purchases result in additional employment in trade and transportation. The expansion in government and direct support industries increases demand for services and products provided by all areas of the state's economy. The loss of revenues and expenditures from oil and gas would result in an unfavorable economic outlook for Alaska and lower employment in all industries.

World Oil Markets

Crude oil prices are the most important factor in analyzing the future of the oil and gas industry in Alaska. Lower prices for oil would result in less state revenue and slower oil exploration and slower development of new discoveries in Alaska. After recent declines, oil prices are holding steady but downward pressure on oil prices continues to be evident on the world markets. There is a growing opinion that the current crude oil oversupply situation is long term rather than a temporary phenomena. The level of idle production capacity overhanging the oil market is so great that it will

World Oil Production
(1000 b/d) 1/

	83 /2	82	81	80	79	Peak Prod. 3/	Year
USA	10232	10225	10168	10283	10208	10946	1973
Canada	NA	1587	1620	1767	1827	2116	1973
Mexico	2946	3003	2554	2136	1618	3003	1982
UK	2349	2130	1834	1651	1598	2349	1983
USSR	12404	12344	12263	12143	11800	12404	1982
China	2119	2042	2024	2119	2123	2123	1979
Saudi Arabia .	5063	6483	9808	9928	9532	9928	1980
Iran	2444	2391	1316	1471	3168	5899	1976
Iraq	955	1012	897	2654	3477	3477	1979
Indonesia	1310	1325	1604	1580	1591	1686	1977
Venezuela	1790	1895	2108	2171	2356	3366	1973
Total Persian Gulf	10959	12292	15068	17902	21017	21638	1977
Total OPEC	17467	18498	22490	26954	30929	31269	1977
Total World	55167	58260	62350	64984	62655	71748 4/	

1/ Source Petroleum Economist March 1984
2/ Preliminary
3/ Since 1973
4/ Sum of peak production of all countries since 1973

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 3/84	R 2/84	3/83	P 3/84	R 2/84	3/83	P 3/84	R 2/84	3/83	P 3/84	R 2/84	3/83
Alaska Statewide	230937	225857	217003	28215	29489	27149	12.2	13.1	12.5	202722	196368	189854
Anchorage-MatSu Region	120878	118604	111836	11582	11858	11296	9.6	10.0	10.1	109296	106746	100540
Anchorage	108539	106410	100481	9372	9556	9258	8.6	9.0	9.2	99167	96854	91223
Matanuska-Susitna	12339	12194	11355	2210	2302	2038	17.9	18.9	17.9	10129	9892	9317
Gulf Coast Region	24972	24340	23330	4043	4429	3979	16.2	18.2	17.1	20929	19911	19351
Cordova	1301	1247	1219	181	181	183	13.9	14.5	15.0	1120	1066	1036
Kenai	13134	12679	12377	2470	2534	2517	18.8	20.0	20.3	10664	10145	9860
Kodiak	5186	5269	4799	407	723	380	7.8	13.7	7.9	4779	4546	4419
Seward	1894	1839	1737	402	419	357	21.2	22.8	20.6	1492	1420	1380
Valdez	3457	3306	3198	583	572	542	16.9	17.3	16.9	2874	2734	2656
Interior Region	30862	30621	28752	5276	5735	4708	17.1	18.7	16.4	25586	24886	24044
Fairbanks	25164	24998	23392	4310	4715	3794	17.1	18.9	16.2	20854	20283	19598
Southeast Fairbanks	2462	2441	2274	370	406	308	15.0	16.6	13.5	2092	2035	1966
Upper Yukon	743	737	717	119	130	131	16.0	17.6	18.3	624	607	586
Yukon-Koyukuk	2493	2445	2369	477	484	475	19.1	19.8	20.1	2016	1961	1894
Northern Region	11386	11027	11202	1115	1220	985	9.8	11.1	8.8	10271	9807	10217
Barrow-North Slope	2987	2926	2912	217	281	156	7.3	9.6	5.4	2770	2645	2756
Kobuk	3592	3445	3514	405	402	343	11.3	11.7	9.8	3187	3043	3171
Nome	4807	4656	4776	493	537	486	10.3	11.5	10.2	4314	4119	4290
Southeast Region	31456	30380	30486	4886	4980	4840	15.5	16.4	15.9	26570	25400	25646
Angoon	410	383	414	58	47	75	14.1	12.3	18.1	352	336	339
Haines	1071	1054	1117	175	197	252	16.3	18.7	22.6	896	857	865
Juneau	10930	10527	10547	1285	1305	1237	11.8	12.4	11.7	9645	9222	9310
Ketchikan	6696	6524	6354	1107	1181	959	16.5	18.1	15.1	5589	5343	5395
Outer Ketchikan	763	767	856	105	138	220	13.8	18.0	25.7	658	629	636
Prince of Wales	1570	1470	1553	341	295	366	21.7	20.1	23.6	1229	1175	1187
Sitka	4342	4209	4210	445	484	449	10.2	11.5	10.7	3897	3725	3761
Skagway	1720	1731	1759	420	489	505	24.4	28.2	28.7	1300	1242	1254
Wrangell-Petersburg	3954	3715	3676	950	844	777	24.0	22.7	21.1	3004	2871	2899
Southwest Region	11383	10885	11397	1313	1267	1341	11.5	11.6	11.8	10070	9618	10056
Aleutian Islands	2876	2745	2928	138	130	193	4.8	4.7	6.6	2738	2615	2735
Bethel	3671	3493	3663	467	433	464	12.7	12.4	12.7	3204	3060	3199
Bristol Bay Borough	422	394	421	61	49	60	14.5	12.4	14.3	361	345	361
Bristol Bay	1546	1490	1531	194	198	181	12.5	13.3	11.8	1352	1292	1350
Kuskokwim	1076	1039	1017	203	205	145	18.9	19.7	14.3	873	834	872
Wade Hampton	1792	1724	1837	250	252	298	14.0	14.6	16.2	1542	1472	1539

P =Preliminary   1983 Benchmark

R =Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

take years of robust economic growth worldwide to bring a balanced supply/demand situation.

The table on world oil production puts into perspective the current supply situation. Using peak production as an approximation, world production capacity exceeds 70 million b/d versus a current demand of 55 million b/d. Even this probably understates potential capacity at the current per barrel crude price. As can be seen from the table many OPEC countries reached peak production in 1973 when the first oil price increase occurred as a result of OPEC action. Worldwide production peaked in 1980 after the significant oil price increases of 1979-1980.

OPEC was successful in setting the price for oil in a supply short situation but is unable to control price now that there is a supply surplus situation. Nationalization of the oil company facilities broke the tie with the multinationals. With the loss of secure supplies in OPEC countries, the major oil companies no longer had an economic interest in supporting the status quo.

With the profit potential from new discoveries, the oil companies expanded their efforts to find other sources of oil and gas. Even now the economic cost (excluding taxes and royalties) of producing the higher priced barrels of oil (North Slope and North Sea) is approximately $15.00 a barrel delivered to market. Estimates of the cost of new found production is less than $20.00. When you consider that Saudi Arabia can produce 5-7 million additional b/d of oil and deliver it to market at less than $5.00 a barrel, there is little economic reason to suggest the current price of crude can be maintained indefinitely

The conservation effort, in response to high crude prices, exceeded everyone's expectations. Oil demand continued to increase as long term structural changes were occurring in the world economy. Conservation efforts were seen in the shift to fuel efficient vehicles, changes in housing construction, and less use of other energy consumable activities. Utilities began to shift to alternative fuels to generate electricity. Energy requirements per unit of output had decreased steadily since World War II but the trend accelerated beginning with the oil price increases of 1973. These new energy use patterns appear to be structural and changes to less efficient use of energy are unlikely even with lower energy prices.

With the disparity between quantities of crude oil demanded and quantities supplied, OPEC is no longer able to control the price of crude. The possibility of this situation changing in the short term is remote. Even if the Persian Gulf were closed to shipping the loss of supply no longer has the significance it once had. Current production flowing from the Persian Gulf states is approximately 11 million b/d. As much as 3 million b/d is now, or could be, moved by pipeline to the Mediterranean or Red Sea.

Much of the remaining loss would be made up from non Persian Gulf OPEC members and non OPEC countries. Many consuming countries have insulated themselves from temporary shortages. The probability that there will be another oil shortage seems remote.

The world wide economic recovery will increase demand for oil and gas and should help stabilize oil prices. However, the recovery is unlikely to result in a real price increase for oil. When analyzed in the context of the current world markets and cost of production, continued price declines are a real possibility.

Alaska Outlook

With lower prices for crude oil and natural gas and continued downward pressure on prices, the outlook for Alaska's oil and gas industry still remains reasonably good. If the major oil companies ~~are to control their~~ future they must find secure sources of crude oil and diversify their source of crude oil. Alaska represents a politically stable area with potential for significant quantities of oil and gas yet to be discovered. While low oil prices and the disappointment of Mukluk will constrain the enthusiasm seen over the past few years, exploration and development will continue.

Both the state and federal government have ambitious leasing schedules through 1988. This will be a landmark year if all scheduled leases occur. While it is unlikely that lease sales will command the prices of past sales there will still be substantial interest. Long lead time is required to find and develop oil resources. This means that by the time current lease offerings are able to produce oil, the supply/demand situation will likely be in balance and better real prices will prevail.

With substantial investment in production, collection and transportation facilities, the oil companies have an incentive to develop additional North Slope reserves. The economics of marginal fields on the North Slope will improve as additional infrastructure is put into place and as the price of crude improves. As an oil producing region Alaska has benefited from high oil prices. While the benefits will continue to diminish in the short run especially as North Slope production drops off, oil and gas employment should remain stable over the next few years. The long term prospects for the industry in Alaska remain positive.

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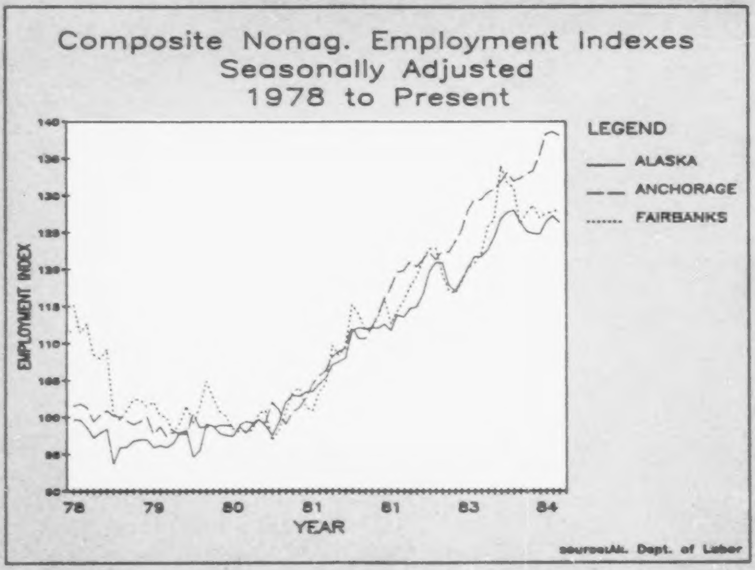
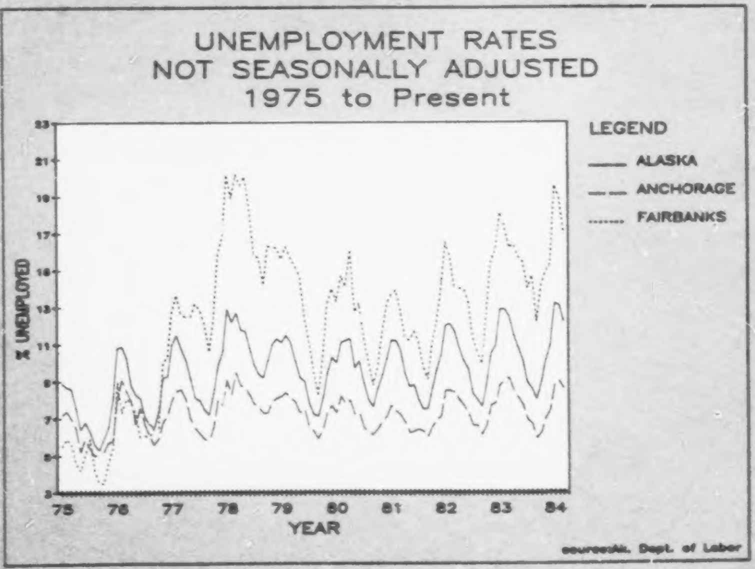


Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present

source:Ak. Dept. of Labor



UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present

source:Ak. Dept. of Labor

ANCHORAGE-MATSU

By Greg Huff

Anchorage Employment: First Quarter 1984

During the first three months of 1984 Anchorage Nonagricultural Wage and Salary Employment experienced deterioration in the rate of growth compared to similar periods in 1981-1983. Even so employment during the first quarter 1984 averaged 7.4% higher than comparable 1983 employment levels. Declining residential construction activity and the leveling of state government employment were the primary cause of the tapering growth rate. Growth in retail trade and local government have contributed substantially to the creation of new jobs.

Trade Employment

Wholesale distributors, particularly those in auto parts supply and groceries and other nondurable goods have had major employment gains in 1984 while distributors supplying to the construction industry have dropped employment levels slightly. Retail trade employment in March was 12% above March 1983 levels. All retail trade sectors except for mobile home sales had year to year growth in employment ranging from 8.8% to nearly 15%. Employment in mobile home sales is down because of a lack of space to locate a mobile home. The single largest gain was in eating and drinking establishments where over 800 new jobs were created since last March.

Government

Growth in government employment began tapering off in 1984 with federal and state government payrolls staying relatively stable while local government employment grew rapidly. Pressures caused by a growing population have pushed employment up in both the educational and noneducational branches of local government. It should be noted that growth in local government during the year has been over inflated due to a recording error of 1983 Anchorage School District employment. Local government employment in March 1984 was 17% greater than the March 1983 levels instead of the 28% previously reported, still a sizable gain.

Construction

During the first three months of 1984 construction employment continued to expand but at a much slower pace than in 1983 a result of over built residential markets. The number and valuation of building permits from the municipal building activity report indicates the extent of the slowdown in construction activity (see table below). The valuation of permits

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P	R			
	3/84	2/84	3/83	2/84	3/83
Nonag. Wage & Salary	104150	103300	97500	850	6650
Mining	3600	3550	3550	50	50
Construction	7600	7450	7250	150	350
Manufacturing	2100	2100	2000	0	100
Food & Kindred Prod.	300	300	300	0	0
Other Mfg.	1800	1800	1700	0	100
Trans. Comm. & Utilities	8700	8600	8250	100	450
Trucking & Whseing.	1300	1300	1150	0	150
Water Transportation	300	250	300	50	0
Air Transportation	3500	3500	3250	0	250
Other Trans. Comm. & Utilities	3600	3550	3550	50	50
Trade	26200	26050	23700	150	2500
Wholesale	6050	5950	5750	100	300
Retail	20150	20100	17950	50	2200
Gen. Merchandise	1750	1750	1600	0	150
Food Stores	2600	2550	2350	50	250
Eating & Drinking Places ...	7700	7650	6900	50	800
Other Retail Trade	8100	8150	7100	-50	1000
Fin.-Insurance & R. Estate	7150	7050	6750	100	400
Services & Misc.	22900	22800	22200	100	700
Government	25900	25700	23800	200	2100
Federal	10000	10000	9900	0	100
State	6600	6550	6650	50	-50
Local	9300	9150	7250	150	2050

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

				CHANGES FROM:	
	P	R			
	3/84	2/84	3/83	2/84	3/83
Nonag. Wage & Salary	109200	108500	102050	700	7150
Mining	3600	3600	3600	0	0
Construction	8000	7850	7700	150	300
Manufacturing	2150	2150	2050	0	100
Trans. Comm. & Utilities	9200	9100	8750	100	450
Trade	27250	27150	24650	100	2600
Fin.-Insurance & R. Estate	7450	7350	6950	100	500
Services & Misc.	23800	23850	22900	-50	900
Government	27750	27450	25450	300	2300

for residential units for January through March 1984 was down 46%. Multifamilty projects (most of which are condominiums) were hit the hardest, down 51%. Value of single family units were down 43%. Permits for residential housing units have been down since October 1983. Given a lag time between filing for a permit and actual construction, residential construction activity in 1984 will be substantially below last year's levels.

Commercial construction will remain strong in 1984, offsetting to some extent declines in residential construction employment. Road and bridge projects slated for this year will also help offset declines in residential construction employment. A direct indicator of current construction activity is the number of inspections made by municipal building inspectors which is 23% above early 1983 activity.

Municipal Building Activity
First Quarter 1983 and 1984
Anchorage

	1983		1984	
Type Of Construction	Permits	Value *	Permits	Value *
Single Family	641	$53.0	347	$29.8
Duplex	82	4.7	66	4.4
Multifamily	1526	68.4	536	33.5
Commercial	51	40.3	33	54.4
Residential Remodeling	173	3.5	146	3.5
Commercial Remodeling	170	16.4	193	12.6
Total	2643	186.1	1341	138.0

- Estimated value in millions of dollars.

Source: Municipal building activity report

Other Industries

Mining employment during the first three months of 1984 should show steady growth. Employment in the oil and gas sector contributed to the increase as Anchorage support staffs grow in response to the growing network of oilfields to the pipeline, enhanced recovery operations and new exploration efforts. Health services continue to grow in 1984 to meet the needs of a rapidly expanding population. Employment in the health fields increased over 9%.

FAIRBANKS/INTERIOR

By Neal Fried

A Profile of Fairbanks' Unemployed

Who are the people behind Fairbanks' monthly unemployment rate? What are their ages and why are more men than women unemployed? What industries and occupations were they previously working in before they became unemployed? How long do they remain unemployed, and if they are receiving unemployment compensation, how much do they receive weekly? These statistics are not reported each month with the unemployment rate. This month we will shed some light on the characteristics of the unemployed.

The statistics reported here on the characteristics of the unemployed represent those individuals who filed an initial claim for state unemployment insurance during any part of 1983. The unemployed who are not included are those individuals who 1) filed an initial claim prior to 1983 and were still unemployed in 1983 but did not file a new initial claim, 2) were not eligible for unemployment benefits because they are not covered by the program, 3) did not work long enough to be eligible for benefits, and 4) were new entrants into the labor force without prior or recent work experience.

The "average" Fairbanks unemployment insurance claimant received $143 per week for 14 weeks in 1983. During the same year $13.6 million was paid out in unemployment insurance in Fairbanks. This is a record amount for one year.

The unemployment claimants tend to be young and male (see tables). The largest group falls within the 25-34 age bracket. This age group is the largest portion of the labor force in Fairbanks. When layoffs occur they are the first to go because of less work experience. As a result they tend to change jobs more often than their older counterparts. Also, they are more likely to be employed in industries which experience high unemployment, such as construction.

Though women make up approximately 42% of Fairbanks' labor force, only 26% of the unemployed are women. Women's representation is low among the unemployed in Fairbanks because of their occupations. Women are strongly represented in clerical, sales, and service occupations which are more stable than the male dominated seasonal occupations like construction.

Fairbanks Unemployment Insurance Claimants
1983

Occupational Characteristics

	Number	Percent
Professsional, Tech. Mgr.	721	12.2
Clerical & Sales	906	15.3
Services	646	10.9
Ag., Fish & Forestry	40	0.7
Processing Occupations	22	0.3
Machine Trades	339	5.7
Benchwork	40	.7
Structural Work	2381	40.3
Miscellaneous	814	13.8
Total	5909	100.0%

Industry Characteristics

	Number	Percent
Mining	164	2.8
Construction	2583	43.7
Manufacturing	123	2.1
Trans., Comm. & Util.	499	8.4
Trade	844	14.3
Fin.-Insurance & R. Estate	96	1.6
Services & Miscellaneous	1236	20.9
Government	364	6.2
Total	5909	100.0

Age Characteristics

Ages	Number	Percent
16-20	189	3.0
20-24	902	15.0
25-34	2381	40.0
35-44	1345	23.0
45-54	701	12.0
55-64	359	6.0
65 and Over	32	1.0
Total	5909	100.0

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	3/84	2/84	3/83	2/84	3/83
Nonag. Wage & Salary	25550	25300	24250	250	1300
Mining	200	200	300	0	-100
Construction	1750	1750	1650	0	100
Manufacturing	500	450	450	50	50
Trans. Comm. & Utilities	2650	2550	2700	100	-50
Trucking & Whseing.	400	350	400	50	0
Air Transportation	600	600	600	0	0
Other Trans. Comm. & Utilities	1650	1600	1700	50	-50
Trade	5300	5350	4800	-50	500
Wholesale	900	900	850	0	50
Retail	4400	4450	3950	-50	450
Gen. Merchandise & Apparel	400	400	350	0	50
Food Stores	750	750	700	0	50
Other Retail Trade	3250	3300	2900	-50	350
Fin.-Insurance & R. Estate	1000	950	950	50	50
Services & Misc.	4900	4900	4750	0	150
Government	9250	9150	8650	100	600
Federal	2600	2550	2500	50	100
State	4000	3950	3900	50	100
Local	2650	2650	2250	0	400

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
INTERIOR

	P/	R/		CHANGES FROM:	
	3/84	2/84	3/83	2/84	3/83
Nonag. Wage & Salary	28900	28700	27600	200	1300
Mining	300	300	400	0	-100
Construction	1800	1850	1700	-50	100
Manufacturing	500	500	450	0	50
Trans. Comm. & Utilities	3350	3250	3400	100	-50
Trade	5600	5650	5150	-50	450
Fin.-Insurance & R. Estate	1050	1000	1000	50	50
Services & Misc.	5150	5150	5000	0	150
Government	11150	11000	10500	150	650

The largest group of unemployed workers in Fairbanks (44%) were previously employed in the construction industry. This is in spite of the fact that only 10% of Fairbanks' employment is in the construction industry. Construction is disproportionately represented because it is Fairbanks' most seasonal industry, and because there has been a continuous oversupply of workers in construction despite the industry's rapid growth.

Most of the remaining industries represented in the unemployment insurance numbers were either proportionate to their industry size or under represented. The number of unemployed formerly working in government is an extreme example in the under represented category. Approximately 6% of the insured unemployed had previously worked for local and state government, though 24% of Fairbanks' wage and salary workforce are employed in these sectors. The nature of government's employment lends itself to such results, the employment is both stable in the course of a year, and typically does not fluctuate much from year to year.

The occupations of the unemployed correlate with the industry data. Structural occupations primarily associated with construction, is the largest group. Occupational categories such as professional, technical, managerial, clerical, and sales, are expected to be less seasonal and more stable, and the data bears this out.

If a profile of the "typical" unemployed person in Fairbanks were to be constructed, the person would be a young, male construction worker. It must be kept in mind, however, that both sexes, all ages and all industrial occupations, are represented among Fairbanks' unemployed.

GULF COAST

By Neal Fried

A Profile of Kenai Peninsula's Unemployed

Each month the unemployment rate for Kenai-Cook Inlet and Seward are reported in this publication. The unemployment rate, one statistic which sheds some light on the overall condition of an area's economy, gives no information on the characteristics of the unemployed individuals. It does not answer such questions as: 1) are more men unemployed than women, 2) what are their ages, 3) what industries and professions were they employed in before they became unemployed, and 4) how long do they remain unemployed, and if they are receiving unemployment checks, how much do they receive weekly.

The following characteristics of the unemployed represent those individuals who filed an initial claim for regular state unemployment insurance during any part of 1983. The unemployed which are not included are those individuals who 1) had filed an initial claim prior to 1983 and were still unemployed in 1983 but did not file a new initial claim, 2) were not eligible for unemployment benefits because they are not covered by the program, 3) did not work long enough to be eligible for benefits, and 4) were new entrants into the labor force without prior or recent work experience.

The "average" Kenai Peninsula unemployment insurance claimant in 1983 received $129 per week for 15.6 weeks. The total amount of unemployment dollars paid out to claimants during the year of 1983 was $8.5 million. Sixty percent of the Kenai Peninsula's unemployed are 34 years old or less. The unemployed tend to be young because the labor force is young. Because they have less employment experience they change jobs more often. The younger workers are also more likely to work in seasonal industries which experience more unemployment, such as construction and fish processing.

Though 37% of the Peninsula's labor force are women, only 30% of the unemployed are women. Women are less concentrated in seasonal industries. The construction industry occupations for example are dominated by males. Women tend to be employed in occupations which are more stable, such as clerical and sales. and is the major reason why women are under represented as a percent of the unemployed.

Twenty eight percent of the Kenai Peninsula's unemployed were employed in the construction industry before being layed off. This makes construction the single largest group of unemployed. Yet only 9% of the Peninsula's wage and salary workforce work in construction. One obvious explanation

Kenai Peninsula's Unemployment Insurance Claimants
1983*

Industry Characteristics

	Number	Percent
Mining	290	8.7
Construction	913	27.5
Fish Processing	284	8.6
Other Manufacturing	78	2.4
Transportation	281	8.5
Trade	532	16.0
Fin.-Insurance & Real Estate	61	1.8
Services & Miscellaneous	696	21.0
State & Local Government	181	5.5
Total	3316	100.0%

Occupational Characteristics

	Number	Percent
Professional, Tech., Mgr.	321	9.7
Clerical & Sales	497	15.0
Services	356	10.7
Processing Occupations	225	6.8
Machine Trades	179	5.4
Bench Work	21	.6
Structural Work	1273	38.4
Ag., Fish & Forestry	56	1.7
Miscellaneous	388	11.7
Total	3316	100.0%

Age Characteristics

Ages	Number	Percent
16-20	110	3.3
20-24	546	16.5
25-34	1364	41.1
35-44	741	22.3
45-54	345	10.4
55-64	187	5.6
65 and Over	23	.7
Total	3316	100.0%

* The statistics are based on 95% of the Kenai Peninsula's unemployment insurance data. The percent distributions may not add up to 100% because of rounding.

is the industry's seasonal nature. It is compounded by the fact that this industry has suffered from an oversupply of workers for many years.

Most other industries were proportionate to the size of their industry. One industry statistic not expected to be proportionate was fish processing. Approximately 11% of the Peninsula's wage and salary workforce is employed in this industry, but only 9% of the Peninsula's unemployment claimants had previously worked in fish processing. This is unusual given the seasonal nature of this industry. However, statewide statistics show that over half the people in the fish processing industry leave the state when the work is completed, and collect their unemployment from other states. Government, in contrast to construction, has a much smaller percent of unemployed than would be expected given the number of employees. Twenty percent of the area's wage and salary workforce are employed in state and local government, but only 6% of the unemployed were formerly employed by these levels of government. Government employment is less seasonal and more stable on a long term basis than most other industries.

The occupational unemployment characteristics correspond closely to the industry characteristics. Structural occupations, primarily associated with construction representing 38% of the claimants. With one exception, most other occupational categories are occupations with less seasonality and the data attests to this fact. Fish processing occupations appear not to be seasonal, but as in the industry category, this is because many of these people leave the Peninsula when they are done working.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	3/84	2/84	3/83	2/84	3/83
Nonag. Wage & Salary	17850	17050	16650	800	1200
Mining	700	700	700	0	0
Construction	1350	1300	1200	50	150
Manufacturing	2200	1700	2200	500	0
Food & Kindred Prod.	1550	1100	1600	450	-50
All Other Mfg.	650	600	600	50	50
Trans. Comm. & Utilities	2200	2200	2000	0	200
Trade	2950	2900	2550	50	400
Wholesale	450	400	350	50	100
Retail	2500	2500	2200	0	300
Fin.-Insurance & R. Estate	500	450	500	50	0
Services & Misc.	2850	2800	2550	50	300
Government	5100	5000	4950	100	150
Federal	500	500	500	0	0
State	1500	1450	1450	50	50
Local	3100	3050	3000	50	100

SOUTHEAST ALASKA

By John Boucher

Third Quarter Data Available

Recent completion of counts of insured employees, referred to as ES-202 data, has made it possible to analyze what impact the third quarter made on the Southeast Alaska economy last year.

Because of the seasonal nature of employment in Alaska, the third quarter represented by the months of July, August and September, is historically the quarter of highest employment and lowest unemployment. Seasonal industries such as seafood processing, lumber & paper products, and construction traditionally employ the greatest number of people in the third quarter. Third quarter data, therefore, is invaluable in determining these industries strengths and can go a long way in determining the overall strength of the Southeast Alaska economy during any given year.

Data for the third quarter indicates that a 3.0% growth in employment occurred from third quarter 1982 to third quarter 1983. While news of growth is normally received happily, given the current state of the Alaskan economy, 3.0% could be considered slow, especially when compared to the booming Kenai and Mat-Su areas.

Is Southeast Heading in a New Direction?

On the surface, reasons for the slower growth rate in Southeast seem fairly simple. Manufacturing, transportation, and federal government employment all declined from year to year, manufacturing being the largest contributor to the decline. On the plus side, total employment increased due to gains in construction, services, trade, government and finance insurance and real estate.

It could be argued that the third quarter of 1983 is a harbinger of the direction the Southeast Alaska economy is taking. With timber and fish the areas primary resources, the manufacturing sector has been the areas largest employer next to state government. As recently as 1980 Southeast manufacturing employment had the highest annual average employment in the region. In 1983 third quarter manufacturing employment was down nearly 10% from 1982 due to the lumber industries well publicized woes.

While manufacturing was suffering, construction and other industries were soaring. What is the economic impetus that is creating new jobs at a time when the primary industry of the region is suffering? Examination of the regions, and not coincidently the states hottest industry, construction, provides some answers. From 1982 to 1983 new construction employment

Nonagricultural Wage and Salary Employment
Southeast Alaska

Industry	3/83	3/82	Change
Mining	70	35	35
Construction	2554	2023	531
Residential	650	583	67
Heavy	1095	861	234
Special Trades	809	579	230
Manufacturing	4298	4766	-468
Transportation	2270	2442	-172
Trade	4759	4581	178
Wholesale	513	402	111
Retail	4246	4179	67
Fin.-Ins. & Real Estate	1085	985	100
Services	4325	3976	349
Misc.	397	291	106
Government	10820	10613	207
Federal	2324	2432	-108
State	5244	5150	94
Local	3252	3031	221
Totals	30578	29712	866

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P 3/84	R 2/84	3/83	CHANGES FROM: 2/84	 3/83
Nonag. Wage & Salary	26700	25900	26350	800	350
Construction	1500	1250	1500	250	0
Manufacturing	2150	1900	2400	250	-250
Food & Kindred Prod.	400	350	450	50	-50
Lumber & Paper Prod.	1550	1350	1750	200	-200
All Other Mfg.	200	200	200	0	0
Trans. Comm. & Utilities	1850	1850	1850	0	0
Trade	4300	4250	4150	50	150
Wholesale	400	400	400	0	0
Retail	3900	3850	3750	50	150
Fin.-Insurance & R. Estate	1000	1000	900	0	100
Mining, Services & Misc.	4150	4050	3950	100	200
Government	11750	11600	11600	150	150
Federal	2150	2000	2100	150	50
State	5450	5450	5550	0	-100
Local	4150	4150	3950	0	200

in the Juneau area accounted for over half of all growth in employment in the regions construction industry. Juneau accounted for more than 100% of the year to year growth in residential construction alone. If just heavy construction is considered, one census division, Wrangell-Petersburg, accounted for 75% of all heavy construction growth in Southeast. This is due to two projects, the Tyee hydro project and the Petersburg hospital. It is interesting to note that growth in Juneau construction related to the resolution of the capital move issue and Petersburg heavy construction account for nearly 90% of all construction growth in the region. The common thread is that public policy (i.e. state government funded projects) directly effected the employment of the region. If one adds the impact on employment that government made in terms of additional government employees, over 70% of all growth in Southeast over the last year was directly or indirectly the result of public policy decisions. This does not even include the support industry jobs that would be created due to the expansion caused by the public sector.

If current conditions, such as the forest products industries continuing problems are considered with events of the last year it could be concluded that Southeast is growing even more dependent upon the public sector for continued employment growth. The implications of this dependency are less clear than the evidence of its growth. If, as many forecasters predict, total state revenues begin to shrink due to declining production at Prudhoe Bay, Southeast could see its largest job producer face a cash crunch that would slow the employment growth of the region considerably.

HOURS AND EARNINGS

By Kathy Thomas

February hours and earnings showed little change from January with the exception of food and kindred products and lumber and paper products. Food and kindred products has benefited from a milder than usual February, leading to increased fishing activity. Even though average hourly earnings decreased by 2%, average weekly hours jumped by 17% which resulted in average weekly earnings increasing by 15%.

The continual depression in the lumber industry served to decrease average hourly earnings for lumber and paper products. Even with the increase of 10% in average weekly hours, average weekly earnings decreased by 4%. In an industry effort to lower operating costs and continue mill operation, hourly earnings will probably continue to remain low.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 2/84	r/ 1/84	2/83	p/ 2/84	r/ 1/84	2/83	p/ 2/84	r/ 1/84	2/83
Mining	$22.32	$21.74	$22.60	48.3	48.6	47.9	$1078.06	$1056.56	$1082.54
Contract Construction	23.88	23.74	23.67	41.1	40.6	41.5	981.47	963.84	982.31
Manufacturing	14.26	15.09	13.36	34.1	32.8	32.4	486.27	494.95	432.86
Food & Kindred Products	8.73	8.93	8.36	25.7	21.9	26.5	224.36	195.57	221.54
Lumber & Paper Products	17.19	18.17	16.72	40.7	36.9	37.1	699.63	670.47	620.31
Trans. Comm. & Utilities	15.87	15.80	15.43	36.8	37.1	37.7	584.02	586.18	581.71
Trade	10.18	10.52	9.64	33.7	33.8	34.3	343.07	355.58	330.65
Wholesale	12.07	12.57	11.05	37.1	36.8	37.4	447.80	462.58	413.27
Retail	9.40	9.72	9.04	32.5	32.8	33.2	305.50	318.82	300.13
Fin.-Insurance & R. Estate	—	—	—	—	—	—	363.34	367.42	350.17

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

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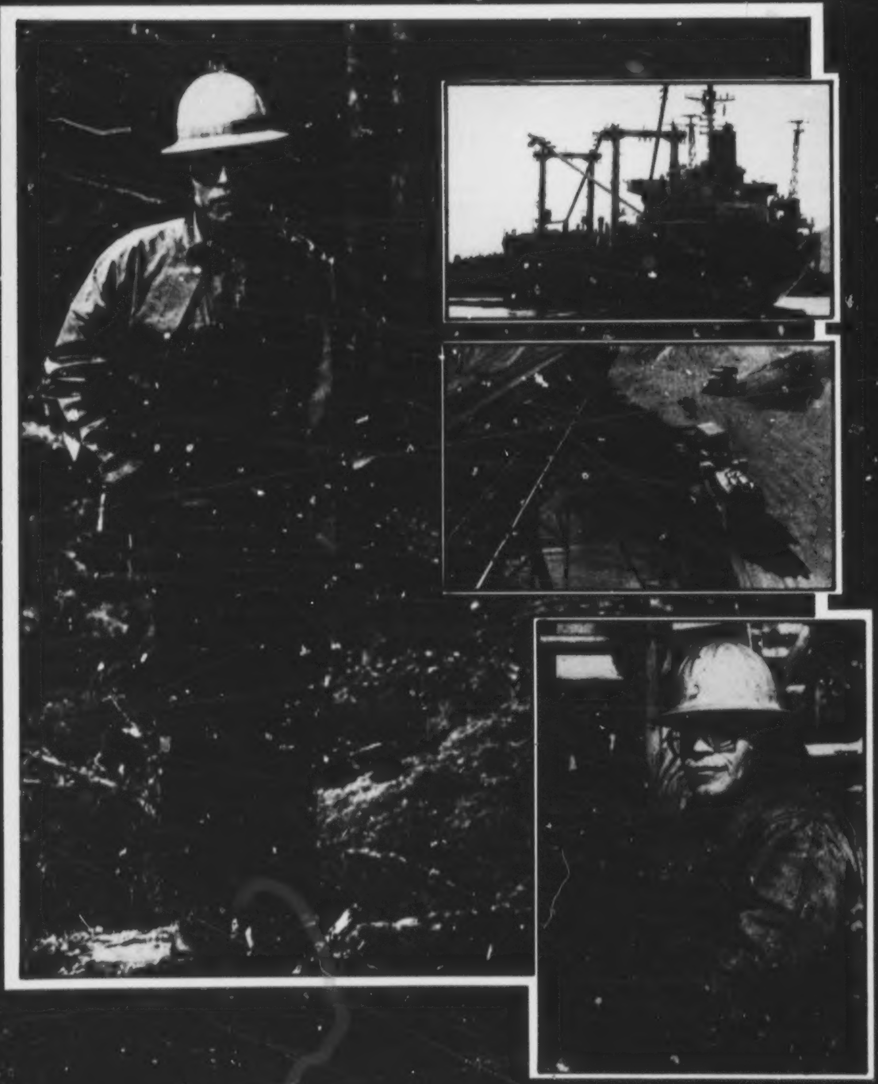
ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



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ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
Ed Eboch, *Editor*

Funded by:

June 1984
Volume 4
Issue 6

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Cover photographs courtesy of the Sealaska Corporation.

Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

REGIONAL NATIVE CORPORATIONS

By Ed Eboch

Regional Native corporations have made, and will continue to make an important contribution to Alaska's economic and employment growth. Since enactment of the Alaska Native Claims Settlement Act (ANCSA) the Native corporations have played an increasing role in the economic activity of the state. Like any new business there have been successes and disappointments. Because of delays in enactment of ANCSA the Native corporations were at a disadvantage in competing successfully in the business world. ANCSA also made requirements of the regional corporations that the traditional business does not have to face. Perhaps these regional Native corporations should not be evaluated on standard business criteria because of the additional social responsibility required of them. Even so, with the lack of business experience, slow implementation of ANCSA, additional social responsibility, and in the midst of a worldwide recession they have managed to survive and grow. These organizations will play an increasingly important economic and political role in Alaska's future.

While the act accomplished many things, this article is limited to a look at the benefits to Alaska Native business ownership and employment. The article examines only the 12 Regional Native Corporations in Alaska. Besides the regional corporations there are nearly 200 village corporations each with at least $1 million in assets or at least 500 shareholders. A later issue of *Alaska Economic Trends* will profile the village corporations.

ANCSA

In 1971 Congress enacted the Alaska Native Claims Settlement Act (ANCSA) in order to settle aboriginal claims of the Alaska Native Indian, Aleut, and Eskimo population. The act provided for both a property award and monetary compensation. It directed Native villages to organize as profit or nonprofit corporations under state law. It also created 12 regional corporations representing Natives in 12 geographic regions, that approximated the areas covered at that time by the regional associations, and a 13th corporation for qualified out-of-state Natives. The 13 regional corporations were required to be incorporated as profit corporations. For extinguishing their claims to disputed land rights the act compensated Alaska Natives with 44 million acres of land and a $962.5 million monetary award.

While the regional corporations were to conduct business for profit they also had other responsibilities. They were to receive title to subsequent rights of land patented to the village corporations; receive title to additional acres of land and to receive, administer and distribute part of the monetary settlement. Even if they were able to generate little or no profit these regional corporations served these other functions as well as serving

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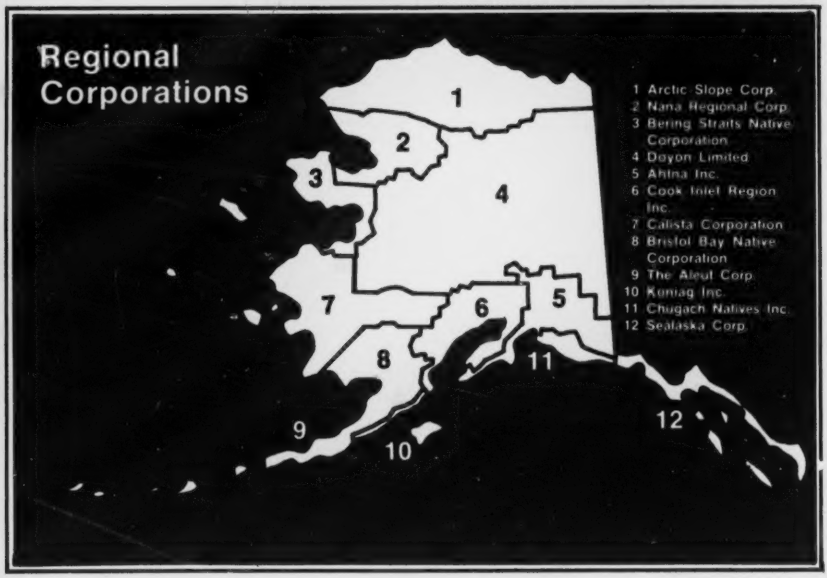

Regional Corporations

1 Arctic Slope Corp.
2 Nana Regional Corp.
3 Bering Straits Native Corporation
4 Doyon Limited
5 Ahtna Inc.
6 Cook Inlet Region Inc.
7 Calista Corporation
8 Bristol Bay Native Corporation
9 The Aleut Corp.
10 Koniag Inc.
11 Chugach Natives Inc.
12 Sealaska Corp.
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as a focal point for expressing Alaska Native shareholders views.

It was not until the late 1970s that the regional corporations were able to concentrate on becoming profit-making businesses. Expectations exceeded the ability of all parties to fully enact ANCSA. Delays in land conveyance and resolution of other issues delayed the successful implementation of the intentions of ANCSA. Limited business experience of many corporations made it difficult to carry on basic corporation business. Responsibilities of land selection, easement comments, and reconveyance made it difficult to concentrate on profit-making activities. Just as the corporations were beginning to expand, business conditions in the traditional rural businesses—fish and timber harvesting—were experiencing setbacks. The salmon botulism problem in 1982 increased costs and deterred sales and price in fish processing. The worldwide recession resulted in a decreased demand for Alaska timber. The village corporations were impacted more by these events than were the regional corporations but the publicity impacted all Native corporations adversely. The surprise is not the disappointments in their business ventures but in their ability to overcome these setbacks and continue to grow and expand.

Employment Profile

By looking at employment we can get a picture of the extent the regional

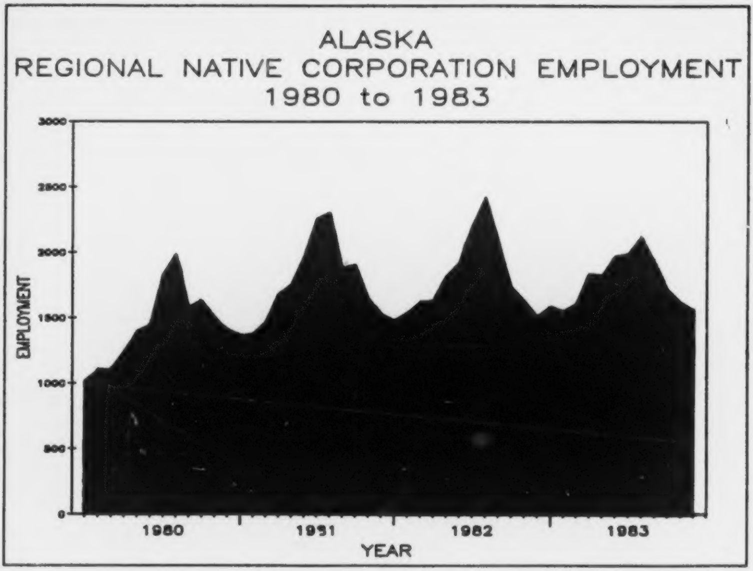

Table 1
Employment by Industry
Annual Average

Industry	1983	1982	1981	1980
Mining	85	27	1	1
Construction	152	205	232	128
Manufacturing	124	141	195	134
Trans. Comm. & Utilities	27	5	6	28
Trade	309	368	304	193
Fin.-Insurance & R. Estate	315	327	278	242
Services & Misc.	762	729	744	710
Total	1774	1800	1760	1436

Table 2
Employment by Region
Annual Average

Region	1983	1982	1981	1980
Southwest	45	12	19	46
Northern	255	241	283	214
Southeast	103	156	147	72
Anchorage/Mat-Su	1071	995	904	797
Gulg Coast	187	231	287	206
Fairbanks/Interior	113	165	120	101
Total	1774	1800	1760	1436

corporations are involved in the Alaska economy. For a number of reasons only data from 1980 through 1983 will be examined. Previous to 1980 the regional corporations were dealing with other problems. Developing corporate policy, new starts, business failures, changes in corporate names of business investments, and unfamiliarity with employment reporting requirements make it difficult to go back to pre-1980 years. The data previous to 1980 is unreliable in representing continuous Native business activity. It should be noted that these are problems that confront all new multibusiness firms that are in a changing environment.

The graph of the total employment for all the regional corporations shows the growth and seasonal variations in Native corporation nonagricultural wage and salary employment from January 1980 to December 1983. Nonagricultural wage and salary employment peaked in 1982 at an annual average of 1,800. With the seasonal nature of Alaska's business the peak employment months occurred during the summer. The highest monthly total employment reached 2,421 in August 1982. The drop in employment in 1983 is not surprising as firms recovered from a disappointing 1982 year by cutting back on overhead and unnecessary expenditures. Total annual wages paid by these firms were approximately $60 million in 1983. In addition to this direct employment, an additional one to two indirect jobs are created for every Native corporation job.

The diversity of activities is extensive, covering all published industry classifications except government (Table 1). Besides joint mining ventures the regional corporations are involved in mining and oil and gas services. They are involved in residential and commercial as well as highway, street and other heavy construction. Seafood processing is the dominant activity in manufacturing but the regional corporations are also involved in timber and shipbuilding and repair. They are involved in transportation and communications and in trade of construction goods, hardware, sporting goods, fuel oil as well as other durable and non durable goods. They own and operate hotels, provide social and business services, and are involved in the management and operation of buildings and other investments.

The regional corporations are currently, or have been, involved in all these activities. As investment opportunities occur they will become involved in new and different business ventures. This is apparent from the changes in industry employment from 1980 to 1983. The most successful business, at least in regard to the number of employees, is hotel and motel operations (services), fish processing (manufacturing), and management investment offices (finance-insurance and real estate). Since firms are classified into an industry based on the major activity these numbers are only approximations of the type business in which the Native firms are involved. This is especially true of the management investment offices classification. Initially the Native corporations were, and in many cases still are, similar to a holding company. As they diversified the major activity they were involved in constantly changed and as an activity expanded a new business was incorporated and began reporting employment separately. The firms are surveyed every three years to determine their major activity. As they grow and expand we can expect to see shifts in type of employment activity.

Long term, mining has the potential for the greatest growth and for providing local employment opportunities. As the regional corporations continue to assess the value of the subsurface rights and develop these subsurface resources, mining employment could grow dramatically. These are long term projects and will not affect the performance of the firms positively for several years.

The regional corporations were active in all areas of the state (Table 2). While the preponderence of employment was reported from the Anchorage-MatSu region, actual employment in this region is overstated. The data does not always disclose the place of work but rather the reporting location. While these are normally the same there are exceptions. Many of the regional corporations' employment is reported from a particular area (Anchorage) it may in fact operate in other areas of the state or statewide. This is especially true of construction, transportation, and mining and oil and gas service businesses. These activities tend to operate statewide. Construction activities could be in any region while oil and gas service employment reported from Anchorage are most likely working on the North Slope or elsewhere in the state. A seafood processing firm may have several plants but report only as if from one location.

The appearance of Native corporation employment being concentrated in Anchorage will continue, both because the Anchorage area will offer some of the best opportunities for investment and because statewide activities may be reported from the centrally located office. For business reasons, statewide activities will need an Anchorage office, most likely the reporting office for employment.

Restrictions on the level of detail that can be published prevents a breakdown of type business by area. However, some comments on the diversity by area is appropriate. All the economic regions have at least three industries represented. In the Anchorage-MatSu area over one-third of the businesses reporting employment are in finance, insurance, and real estate, mostly investment or holding company offices. But hotels in Anchorage dominate as a source of employment. Approximately 50% of employment in Anchorage is related to services, predominantly hotel and motel operations. The smaller the reported employment in a region the more likely one or two activities dominate regional corporation employment for that area. Still, all the areas except Southeast have a diversity of activities.

Unfortunately the data does not break out Native employment from nonnative employment. From information provided by the regional corporations responding to a questionnaire about their business acitvities it appears they have a much greater percent Native employment than does the typical corporation. This is certainly true at the supervisory and management levels.

Summary

As can be seen from the diversity of type activity and location the Native corporations are playing an important role in the growth of Alaska's economic growth. Although their investments have taken many forms they are investing heavily in Alaska basic industries—tourism, fishing, mining, and timber as well as the support industries. As land conveyance is completed and the Native corporations give greater attention to profit activities, without sacrificing their social responsibility, their performance in the traditional business sense should improve. ANCSA has provided an opportunity for Alaska Natives to learn and distinguish themselves in the business world. They have survived during a difficult period and given time their success seems assured.

Note: The data presented here should be interpreted in terms of magnitude and direction because of some difficulties in determining just what constituted employment by the regional corporations. The data was developed from information provided by those regional corporations that responded to a questionnaire and from Department of Labor files. To an extent employment may be overstated since it includes joint ventures where the Native corporation owned more than 50% of the venture. Offsetting this are joint ventures where less than 50% was controlled by the Native corporations. Also, because less than 100% of the regional corporations responded to the questionnaire there may be some missing data but this is not considered a significant problem. We would like to thank the Native corporations for their cooperation in providing information.

ALASKA

By Ed Eboch

Nonagricultural wage and salary employment increased in April to 212,400, up 3% from March and 3% above last year. April is a key month in employment growth for several industries. Seasonal increases in employment are normal for construction, fish processing and logging. This year was no exception as employment increased and unemployment rate declined to 11.8%

The increase in employment from last year may not be as strong as the numbers suggest. The year to year growth occurred despite weaknesses in Alaska's basic industries. Small increases in state and federal government were offset by declines in mining, construction, and manufacturing employment. Most of the year to year growth in employment can be attributed to growth in trade and local government in response to a growing population.

It is generally accepted that the Alaska consumer makes fewer local purchases than is typical of the U.S. consumer. Durable goods and many nondurable goods, such as clothing, are purchased from "outside" Alaska, because of the lack of choice and high local prices. It is generally held that as more goods and services are available locally and as competition increases, driving prices down, Alaskans will begin to buy more goods and services locally. Therefore we can expect increased employment in the support sectors—trade, services, and finance, insurance and real-estate as a result. This hypothesis may be tested in the next year.

State and federal government employment is not anticipated to increase significantly, seafood processing will be below the levels of the past several years, and the timber industry still shows signs of weakness. If construction employment should decline, and there is already evidence of overbuilding in Alaska's major communities, the support sectors would not be expected to continue their rapid growth of the past. If growth should continue in the secondary industries at the same time that the basic industries are leveling off it may be an indication that Alaska's economy has reached a size that will enable provision of local services that have been obtained outside in the past.

Unemployment this year is averaging above that of past years. April 1984 is 11.8% compared to 11.5% for April 1983. In-migration of employees and their families has been a product of this growth as well as a cause of growth. As employment opportunities become scarce this trend will slow. Should employment growth in the support industries continue it will indicate that Alaskan consumers have in fact changed their purchasing behavior and that continued employment growth can occur in Alaska while basic industry employment remains stable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	212400	206400	205900	6000	6500
Mining	8100	8400	8400	-300	-300
Construction	17200	15600	17500	1600	-300
Manufacturing	9500	8300	10000	1200	-500
Food & Kindred Products	4300	3700	4500	600	-200
Lumber & Paper Products	2300	1900	2700	400	-400
All Other Mfg.	2900	2700	2800	200	100
Trans. Comm. & Utilities	18100	17600	17900	500	200
Trucking & Whseing.	2200	2200	2000	0	200
Water Transportation	1100	1200	1200	-100	-100
Air Transportation	5600	5500	5700	100	-100
Other Trans. Comm. & Utilities	9200	8700	9000	500	200
Trade	43100	42600	39900	500	3200
Wholesale	8200	8100	7600	100	600
Retail	34900	34500	32300	400	2600
Gen. Merchandise & Apparel	4900	4800	4400	100	500
Food Stores	6200	6100	5300	100	900
Eating & Drinking Places	11900	11800	11600	100	300
Other Retail Trade	11900	11800	11000	100	900
Fin.-Insurance & R. Estate	11000	10800	10200	200	800
Services & Misc.	39700	38900	38400	800	1300
Government	65700	64200	63600	1500	2100
Federal	17600	17400	17500	200	100
State	19700	19500	19400	200	300
Local	28400	27300	26700	1100	1700

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes premilinary estimates.

R/ Denotes revised estimates.

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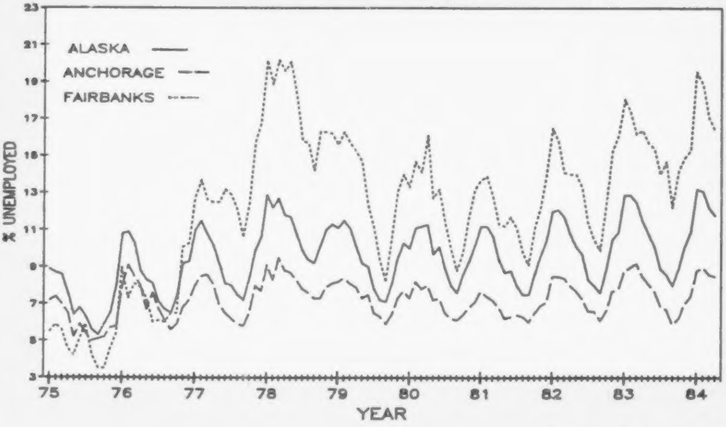
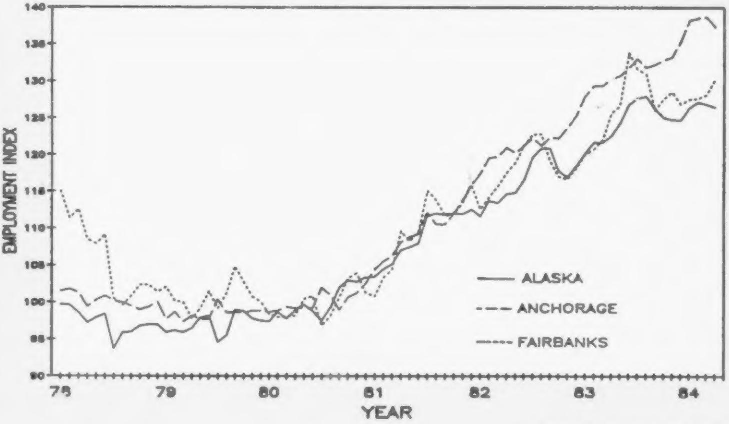


UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present

source: Ak. Dept. of Labor



Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present

source: Ak. Dept. of Labor

ANCHORAGE/MATSU

By Greg Huff

Anchorage Nonresident Job Seekers

Every year thousands of job seekers migrate north to Alaska, stopping in Anchorage looking for work in construction, canneries and a host of other industries. Some come because they believe work is available and pay is good, others come simply for adventure or out of curiousity. Many Alaskans also journey to Anchorage in search of job opportunities. For some rural Alaskan residents it may be their only chance to participate in the "cash economy". Other Alaskans use Anchorage as a home base, but work in various locations within the state and when layed off return to Anchorage to begin the job search again. Anchorage is the largest and most significant transportation and commerce hub in Alaska and given the seasonal nature of Alaska's economy, this influx of workers to Anchorage is a natural phenomenom that will likely continue. Where those job seekers come from, their occupations, and various other characteristics are presented in this Profile of Anchorage Nonresident Job Seekers.

This profile is based on Anchorage Job Service applications. A sample of 250 of these applications were surveyed from February through mid-May 1984. Anchorage residency was determined by the location of the applicants' last job. If the job seekers' previous job was located outside of Anchorage they were classified as an Anchorage nonresident. Data from eight questions were retrieved from the applications. They were: 1) location of last job, 2) primary occupation, 3) reason left previous job, 4) race, 5) sex, 6) age, 7) family size, and 8) education.

The following article is Part I of a two-part series. Part I will focus on the profile of the Anchorage nonresident job seeker whose last job was located in the lower 48 or a foreign country. Part II will provide a profile of Alaskans whose last jobs were outside of Anchorage and will be presented in next month's *Alaska Economic Trends.*

Origin of Job Seekers

Job seekers come from all regions of the country and a few foreign countries. As expected, the majority of lower 48 job seekers come from the Western U.S. with the highest concentration from the Pacific Coast States including Hawaii, followed by the Mountain States and diminishing eastward (Table I). The top ranked state was Washington, with California and Oregon in second and third place.

A major difference in the results of this survey from a similar survey taken in 1982 was the representation of job seekers from the East North Central region of the nation. In 1982 Michigan, Indiana, Ohio, Wisconsin and Minnesota ranked among the top ten states. In the 1984 survey none of these states were in the top ten. This is probably linked to the severe recession in the region during 1982 and the current improvement in the region's economy as highlighted by the recent profits of the auto companies and falling unemployment rates. Michigan's unemployment rate in early 1982 was 14.3% and by early 1984 had fallen to 12.6%. Indiana's and Ohio's rates dropped from 12.7% to 11.0% and 12.2% to 10.1%, respectively. Although the rates remain relatively high, they were climbing in 1982 while falling in 1984. This creates a more optimistic outlook about job opportunities which increases the likelihood of a job seeker staying in their local labor market.

Table 1
Origin of Job Seeker
By Region
1984

Rank	Region	Percent
1	Pacific	40.5
2	Mountain	20.3
3	West North Central	8.4
4	West South Central	7.2
5	Middle Atlantic	5.6
5	East North Central	5.6
5	South Atlantic	5.6
6	New England	2.4
6	Foreign Countries	2.4
7	East South Central	2.0

By State

Rank	State	Percent
1	Washington	17.3
2	California	12.1
3	Oregon	9.7
4	Texas	6.0
5	Colorado	4.8
6	Arizona	4.0
7	Idaho	3.2
7	Montana	3.2
7	New York	3.2
	Other States	34.1
	Foreign Countries	2.4

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U.S. Census Divisions and Regions

WEST
Mountain
Pacific
West North Central
NORTH CENTRAL
East North Central
NORTHEAST
New England
Middle Atlantic
South Atlantic
East South Central
SOUTH
West South Central
Texas
Alaska
Pacific

Occupational Characteristics

The primary job skills or occupations of Anchorage nonresident job seekers are diverse but those with construction skills represent the largest proportion, followed by clerical and sales skills (Table II). Occupational characteristics by sex follow traditional lines with women representing the bulk of the job seekers looking for clerical and services related jobs, while men make up the majority looking for construction, transportation and mechanics jobs. Approximately 30% of the job seekers with professional, technical and management skills were women.

Table 2
Characteristics of Job Seekers
By Occupation

Occupation	Percent
Construction	24.8
Clerical & Sales	22.4
Professional, Technical and Managerial	19.5
Service	14.2
Trucking & Warehousing	7.3
Mechanics & Machinery repair	4.9
Agriculture, Fisheries, Forestry	4.8
Mineral and Oil Extraction	1.6
Benchwork (fabrication, repair)	.5

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P 4/84	R 3/84	4/83	P 4/84	R 3/84	4/83	P 4/84	R 3/84	4/83	P 4/84	R 3/84	4/83
Alaska Statewide	237931	231714	224353	28009	28220	25859	11.8	12.2	11.5	209922	203494	198494
Anch. MatSu Region	123657	121383	115298	11583	11585	10575	9.4	9.5	9.2	112074	109798	104723
Anchorage	111183	108997	103819	9495	9374	8801	8.5	8.6	8.5	101688	99623	95018
Matanuska-Susitna	12474	12386	11479	2088	2211	1774	16.7	17.9	15.5	10386	10175	9705
Gulf Coast Region	25507	25069	24192	3926	4044	3854	15.4	16.1	15.9	21581	21025	20338
Cordova	1299	1306	1224	144	181	135	11.1	13.9	11.0	1155	1125	1089
Kenai	13305	13183	12599	2309	2470	2236	17.4	18.7	17.7	10996	10713	10363
Kodiak	5551	5208	5327	623	407	683	11.2	7.8	12.8	4928	4801	4644
Seward	1867	1901	1784	328	402	334	17.6	21.1	18.7	1539	1499	1450
Valdez	3485	3471	3258	522	584	466	15.0	16.8	14.3	2963	2887	2792
Interior Region	32476	30950	30589	5274	5276	5030	16.2	17.0	16.4	27202	25674	25559
Fairbanks	26506	25236	24926	4334	4310	4094	16.4	17.1	16.4	22172	20926	20832
Southeast Fairbanks	2567	2469	2416	343	370	326	13.4	15.0	13.5	2224	2099	2090
Upper Yukon	804	745	756	141	119	133	17.5	16.0	17.6	663	626	623
Yukon-Koyukuk	2599	2500	2491	456	477	477	17.5	19.1	19.1	2143	2023	2014
Northern Region	11647	11400	11190	1346	1115	1022	11.6	9.8	9.1	10301	10285	10168
Barrow-North Slope	2998	2991	2892	219	217	149	7.3	7.3	5.2	2779	2774	2743
Kobuk	3694	3597	3544	497	405	389	13.5	11.3	11.0	3197	3192	3155
Nome	4955	4812	4754	630	493	484	12.7	10.2	10.2	4325	4319	4270
Southeast Region	32957	31414	31518	4592	4885	4120	13.9	15.6	13.1	28365	26529	27398
Angoon	439	409	429	64	58	66	14.6	14.2	15.4	375	351	363
Haines	1112	1070	1108	155	175	184	13.9	16.4	16.6	957	895	924
Juneau	11545	10914	11042	1247	1284	1096	10.8	11.8	9.9	10298	9630	9946
Ketchikan	7029	6688	6490	1062	1107	727	15.1	16.6	11.2	5967	5581	5763
Outer Ketchikan	828	762	878	125	105	199	15.1	13.8	22.7	703	657	679
Prince of Wales	1626	1568	1560	314	341	292	19.3	21.7	18.7	1312	1227	1268
Sitka	4542	4336	4568	382	445	550	8.4	10.3	12.0	4160	3891	4018
Skagway	1764	1718	1718	377	420	378	21.4	24.4	22.0	1387	1298	1340
Wrangell-Petersburg	4072	3949	3725	866	950	628	21.3	24.1	16.9	3206	2999	3097
Southwest Region	11687	11498	11566	1288	1315	1258	11.0	11.4	10.9	10399	10183	10308
Aleutian Islands	3001	2908	2998	173	139	195	5.8	4.8	6.5	2828	2769	2803
Bethel	3791	3707	3727	483	468	448	12.7	12.6	12.0	3308	3239	3279
Bristol Bay Borough	428	426	417	55	61	47	12.9	14.3	11.3	373	365	370
Bristol Bay	1549	1563	1514	152	195	130	9.8	12.5	8.6	1397	1368	1384
Kuskokwim	1090	1086	1054	188	203	160	17.2	18.7	15.2	902	883	894
Wade Hampton	1828	1808	1856	237	249	278	13.0	13.8	15.0	1591	1559	1578

P =Preliminary　　1983 Benchmark

R =Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
ANCHORAGE

	P/ 4/84	R/ 3/84	4/83	CHANGES FROM: 3/84	 4/83
Nonag. Wage & Salary	106400	104600	100850	1800	5550
Mining	3550	3600	3700	-50	-150
Construction	8250	7650	8300	600	-50
Manufacturing	2250	2150	2100	100	150
Food & Kindred Products	300	300	350	0	-50
Other Mfg.	1950	1850	1750	100	200
Trans. Comm. & Utilities	8750	8750	8450	0	300
Trucking & Whseing.	1200	1300	1100	-100	100
Water Transportation	300	300	300	0	0
Air Transportation	3600	3550	3550	50	50
Other Trans. Comm. & Utilities	3650	3600	3500	50	150
Trade	26650	26300	24300	350	2350
Wholesale	6100	6050	5750	50	350
Retail	20550	20250	18550	300	2000
Gen. Merchandise	1700	1750	1650	-50	50
Food Stores	2750	2600	2350	150	400
Eating & Drinking Places ...	8000	7800	7200	200	800
Other Retail Trade	8100	8100	7350	0	750
Fin.-Insurance & R. Estate	7400	7150	7000	250	400
Services & Misc.	23550	23150	22300	400	1250
Government	26000	25850	24700	150	1300
Federal	9850	9950	9700	-100	150
State	6700	6600	6700	100	0
Local	9450	9300	8300	150	1150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
ANCHORAGE-MATSU

	P/ 4/84	R/ 3/84	4/83	CHANGES FROM: 3/84	 4/83
Nonag. Wage & Salary	111450	109550	105700	1900	5750
Mining	3550	3600	3700	-50	-150
Construction	8650	8000	8850	650	-200
Manufacturing	2350	2200	2200	150	150
Trans. Comm. & Utilities	9250	9200	8950	50	300
Trade	27900	27400	25400	500	2500
Fin.-Insurance & R. Estate	7700	7450	7200	250	500
Services & Misc.	24300	24000	23000	300	1300
Government	27750	27700	26400	50	1350

Compared to a similar 1982 survey the occupational background job seekers in 1984 has changed. The number of construction job seekers dropped significantly in the 1984 results. The improved recovery in the lower 48 construction industry has reduced the number of job seekers venturing north for construction work. Detailed characteristics of those job seekers with construction skills reveal that a majority had general construction and laborer backgrounds. Remaining responses indicated specific construction skills such as plumbing, welding, electrical, carpentry and heavy equipment operation.

Other Characteristics

Responses from job seekers on the reasons for leaving their last job ranged from simply stating "moved to Alaska" to discharged from the military. Table II shows a number of responses and frequencies. Among the responses included in "moved to Alaska" are answers such as relocate or returned to Alaska. "Other" responses included left town, homesteading, or adventure.

Job seekers tend to be young with the age group 26-30 years old representing a quarter of all job seekers. Family size characteristics reveal that the majority of the job seekers had at least one other family member. However, not all job seekers have their family with them. Many job seekers leave the family at home and wait until a job is secured before sending for the family. Others came for a grubstake and go home after the job is over. Evidence of this is reflected by the sex breakout of job service applicants from the lower 48 (69% male, 31% female). Along traditional lines the husband tends to venture for work leaving the wife and children at home. Most of the job seekers had an equivalent of a High School education or greater.

Table 3
Reason for Leaving Last Job
1984

	Reason	Percent
1	Moved to Alaska	29.7
2	Layed off	16.1
3	Other responses	10.4
4	Lack of work	7.5
5	Discharges	4.8
6	Transferred	3.6
7	Seasonal	2.4
8	School	1.2
	No Response	24.3

Table 4
Characteristics of Job Seeker
1984
Race

Race	Percent
White	85.1
Black	8.0
American Indian Native	3.0
Hispanic	3.0
Pacific Asian	0.5
No Response	.4

Age

Age	Percent
16-20	4.4
21-25	19.3
26-30	22.5
31-35	18.1
36-40	14.1
41-45	7.6
46-50	5.2
51-55	3.2
56-60	2.0
60 and Over	1.2
No Response	1.2

Family Size

	Percent
Single	37
Two	20
Three	11
Four	16
Five or more	16

Education

	Percent
Not High School Graduate	11
Finished High School	43
Some College or Vocational Education	32
4 or More Years of College	14

Conclusion

The typical non-residental job seeker was a white single male construction worker from the west, between 26-30 years old with a high school education. However, a wide range of characteristics were revealed. It was found that job seekers were from all regions of the U.S. and a few from foreign countries. Job skills spanned the entire spectrum of occupational classes. Job seekers tended to be young, but all age categories were represented. Family status tended to be single but two, three and four person families were common. Nearly 50% of the job seekers had 1 or more years of college or vocational education.

FAIRBANKS/INTERIOR

By Neal Fried

1984 Employment

Fairbanks' employment continued to grow for the fourth straight month this year. The growth rate has abated some, but it remains at a more than respectable 4% over last month. The leading growth industries are retail trade, construction and government. Retail trade employment is presently increasing at a double digit rate. A dramatic increase in population and income have apparently brought on this growing demand for consumer goods and services. In response to this increased demand a large number of retail outlets will be brought on line this summer with the expansion and construction of a number of new malls.

Construction has remained strong this year though it is too early to determine what the overall picture will be. The summer season is what makes or breaks this industry. It will be necessary to wait to see how much new construction is undertaken by mid-season to assess construction's overall performance. It appears it will be another strong season, particularly in the commercial and public works areas. The expansion of the North Pole refinery, a number of new malls, a busy city construction schedule, and a host of other scheduled projects should keep the industry busy this summer.

Government employment has continued to grow. All levels of government have contributed to the growth, but local government has increased the most rapidly. With a growing population and increased school enrollment it is not surprising that local government is a high growth service industry.

The Unemployment Picture

The unemployment picture has not changed a great deal in 1984. Unemployment rates this year are higher than last year. The influx of job seekers to the Fairbanks area appears to have continued. Though employment remains on the upswing, the labor force is still not able to absorb the job seekers as fast as they arrive. This has been Alaska's labor force story for the past three years and 1984 does not appear to be an exception.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/	R/			
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	26800	25650	25850	1150	950
Mining	250	200	300	50	-50
Construction	2150	1750	2100	400	50
Manufacturing	550	500	550	50	0
Trans. Comm. & Utilities	2800	2650	2750	150	50
Trucking & Whseing.	450	400	400	50	50
Air Transportation	650	600	650	50	0
Other Trans. Comm. & Utilities	1700	1650	1700	50	0
Trade	5700	5400	5300	300	400
Wholesale	900	900	800	0	100
Retail	4800	4500	4500	300	300
General Merchandise & Apparel	400	400	400	0	0
Food Stores	800	800	750	0	50
Other Retail Trade	3600	3300	3350	300	250
Fin.-Insurance & R. Estate	1000	1000	950	0	50
Services & Misc.	5000	4950	4850	50	150
Government	9350	9200	9050	150	300
Federal	2550	2550	2500	0	50
State	4000	4000	3900	0	100
Local	2800	2650	2650	150	150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/	R/			
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	30550	29050	29500	1500	1050
Mining	350	300	400	50	-50
Construction	2200	1800	2150	400	50
Manufacturing	550	500	600	50	-50
Trans. Comm. & Utilities	3550	3350	3500	200	50
Trade	6050	5700	5650	350	400
Fin.-Insurance & R. Estate	1050	1050	1000	0	50
Services & Misc.	5350	5200	5250	150	100
Government	11450	11150	10950	300	500

GULF COAST

By Neal Fried

A Profile of Kodiak's Unemployed

Kodiak's unemployment rate was 11.2% in April. The unemployment rate provides some indication of Kodiak's economic performance but it sheds no light on the unemployed. What occupations and industries were they employed in before losing their jobs? Does sex or age have any significance? How long do they remain unemployed, and if they are receiving an unemployment check, how much do they receive weekly? A look at the characteristics of the unemployed will give a better picture of the Kodiak economy.

The statistics reported here on the characteristics of the unemployed represent those individuals who filed an initial state claim for regular state unemployment insurance during any part of 1983. This group of unemployed includes a significant percentage of the unemployed reported in the figures used to calculate the unemployment rate. The unemployed who are not included are those individuals who 1) filed an initial claim prior to 1983 and were still unemployed in 1983 but did not file a new initial claim, 2) were not eligible for benefits because they are not covered by the program, 3) did not work long enough to be eligible for benefits, and 4) were new entrants into the labor force without prior or recent work experience.

Unemployment Characteristics

More than half of Kodiak's unemployment claimants were employed in manufacturing (almost all in seafood processing) before they lost their jobs. This probably comes as little surprise to Kodiak residents given the extremely seasonal and unstable nature of this industry. Manufacturing unemployment claimants appear to be over represented, since on an average annual basis only 29% of Kodiak's wage and salary work force is employed in seafood processing. Construction is the other industry which appears over represented. Construction employs approximately 7% of the wage and salary work force, but a full 16% of the unemployed were formerly employed in this industry. This is a result of the seasonal nature of this industry as employment may more than double during the months of peak activity. The remaining industries were either proportionately represented or underrepresented. For example, the government sector (local and state) employs 18% of the wage and salary work force, but only 5% of the claimants had worked in government before losing their job, a reflection of the stable and nonseasonal nature of most government employment.

The occupational categories correspond closely to the industry categories. Forty-six percent of the unemployed were from processing occupations

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK GULF COAST

	P	R		CHANGES FROM:	
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	18250	17850	17550	400	700
Mining	750	700	700	50	50
Construction	1500	1400	1350	100	150
Manufacturing	2200	2200	2250	0	-50
Food & Kindred Products	1500	1550	1550	-50	-50
All Other Mfg.	700	650	700	50	0
Trans. & Comm. Utilities	2200	2200	2150	0	50
Trade	3150	2950	2850	200	300
Wholesale	450	450	350	0	100
Retail	2700	2500	2500	200	200
Fin.-Insurance & R. Estate	500	500	450	0	50
Services & Misc.	2900	2850	2800	50	100
Government	5050	5050	5000	0	50
Federal	500	500	500	0	0
State	1500	1500	1450	0	50
Local	3050	3050	3050	0	0

(seafood) followed by structural work (construction) with 14%. Clerical, sales, professional, technical, managerial and service occupations contribute small numbers to the pool of unemployment insurance claimants. This can be explained by the fact that these occupations are less seasonal and more stable than most of the other categories.

Over 50% of Kodiak's unemployment insurance claimants were less than 35 years old. A younger labor force tends to experience more unemployment than their older counterparts. Younger workers tend to change jobs more often than older workers. Their skill levels are not fully developed and they appear to concentrate in industries which experience high seasonal unemployment such as seafood processing and construction.

Though a larger percentage of the unemployment claimants are men (64%) both sexes are proportionally represented compared to their share of the labor force. Kodiak's experience is somewhat different from most areas of the state where women are underrepresented because they are less likely to be employed in the seasonal industries. In Kodiak, women are strongly represented in the fish processing industry, which has brought their proportional share of unemployment up to par with men.

The "average" Kodiak unemployment insurance claimant in 1983 received $107.38 per week for 14.4 weeks. The total amount of unemployment dollars paid out to Kodiak claimants during 1983 was $1.6 million.

If a profile of the "typical" unemployed Kodiak worker were sketched, the worker would be a young male or female cannery worker. It must be kept in mind, however, that all ages, industries, and occupations are represented.

Kodiak's Unemployment Insurance Claimants
Industry Characteristics*
1983

	Number	Percent
Mining	4	--
Construction	137	16
Manufacturing	427	51
Seafood Processing (Subcategory of Mfg.)	410	49
Transporation, Comm. & Utilities	46	6
Trade	89	11
Finance, Insurance & Real Estate	14	2
Services	74	9
Government (state and local)	40	5
Total	831	100

Occupational Characteristics

	Number	Percent
Professional, Technical, Managerial	51	6
Clerical & Sales	85	10
Service	60	7
Processing Occupations	380	46
Machine Trades	26	3
Bench Work	5	1
Structural Work	117	14
Agricultural	20	2
Miscellaneous	87	10
Total	831	100

Age Characteristics

	Number	Percent
16-20	22	3
20-24	106	13
25-34	322	39
35-44	187	23
45-54	101	12
55-64	79	10
65and Over	14	2
Total	831	100

• The percent distribution may not add up to 100% due to rounding.

SOUTHEAST ALASKA

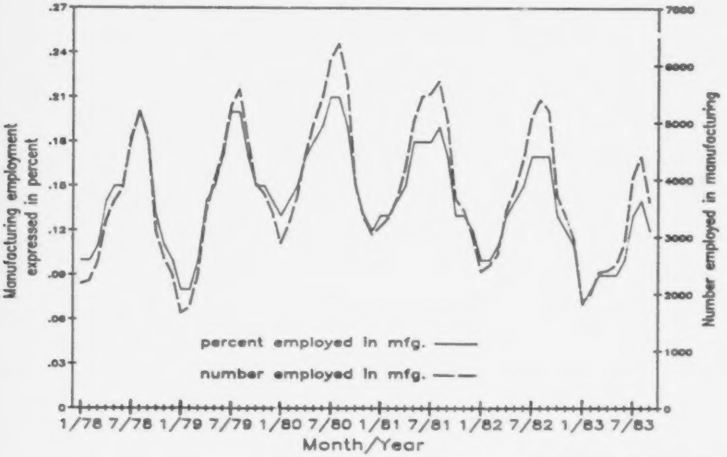
By John Boucher

Employment in Southeast Alaska took a sharp climb in April as seasonal industries began to increase hiring. Nonagricultural wage and salary employment increased 7.5% from March to April, climbing to 28,600. Manufacturing employment accounted for one-half of the increase over the month as seafood processing and lumber and paper products employment picked up. Construction, retail trade and government employment also contributed to Southeast Alaska employment growth.

Manufacturing employment was the largest contributor to employment growth during the last month. The herring openings in Kah Shakes and the Sitka area, near the end of March, figured prominently in the food and kindred products increase. Due to the nature of herring openings, which are extremely short in duration and accompanied by very high employment for a short period of time, April seafood processing employment estimates can be even more volatile than normal. If the openings occur during the pay period that includes the twelfth of the month, the impact of the herring season on employment is fairly easy to measure because employment will be included in our sample of employers. If, however, the employment surge is not captured in our sample, other factors such as the tonnage of the catch, the estimated amount of recovery and the total value of the catch must be used to estimate the herring openings impact. For the second year in a row, we were fortunate to capture the herring seasons impact on employment through our samples.

Elsewhere, manufacturing employment increased as logging camps began to open prior to the beginning of the peak logging season. Lumber and paper products employment continues to lag behind last year's pace, but recent developments have been cause for some optimism in the Southeast forest products industry. Progress is being made in Washington, D.C. towards granting a variance for the two pulp mills, as a bill that would do so was acted upon favorably in committee. In Wrangell, the good news is that Wrangell Forest Products has reopened the recently closed Alaska Lumber and Pulp (ALP) sawmill. However, according to a spokesman, the facility will initially operate with fewer workers than it had under ALP's operation. Whether or not these events can steamroll into enough momentum for manufacturing in Southeast Alaska to begin a turnaround is yet to be seen. A healthy forest products industry would go a long way to returning manufacturing to the prominent position it held as recently as 1980. (See graph.)

Southeast Alaska Manufacturing Employment
1/78 to Present



source: Ak Dept. of Labor

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	4/84	3/84	4/83	3/84	4/83
Nonag. Wage & Salary	28600	26600	28100	2000	500
Construction	1750	1450	1750	300	0
Manufacturing	3200	2200	3400	1000	-200
Food & Kindred Products	950	400	1000	550	-50
Lumber & Paper Products ...	2000	1600	2200	400	-200
All Other Mfg.	250	200	200	50	50
Trans. Comm. & Utilities.....	1950	1900	1900	50	50
Trade	4500	4300	4250	200	250
Wholesale	450	400	400	50	50
Retail	4050	3900	3850	150	200
Fin.-Insurance & R. Estate	1000	1000	950	0	50
Mining, Services & Misc.	4250	4100	4100	150	150
Government	11950	11650	11750	300	200
Federal	2200	2050	2250	150	-50
State	5600	5450	5600	150	0
Local	4150	4150	3900	0	250

HOURS AND EARNINGS

By Kathleen Thomas

March hours and earnings were off to a good start with almost all categories moving up. The most dramatic increase occurred in food and kindred products where average weekly hours increased 59% over last month and 40% over last year. The increase in hours effectively pushed this sector's average weekly earnings up by 50.6%. The tanner crab season was in full swing during March resulting in a flurry of activity at the seafood processors. In other manufacturing, hours and earnings for lumber and paper products remain virtually unchanged from February but are still above March 1983. On the whole, manufacturing hourly earnings decreased by 10% and average weekly hours increased by 20%. The dramatic increase in fish processing employment for food and kindred products along with a reduction in hourly earnings served to pull average hourly earnings downward for manufacturing. Mining was gearing up for the summer with gains in both hourly earnings and weekly hours, up 3.9% and 4.1%, respectively, with construction close behind with a 3.4% increase in hourly earnings.

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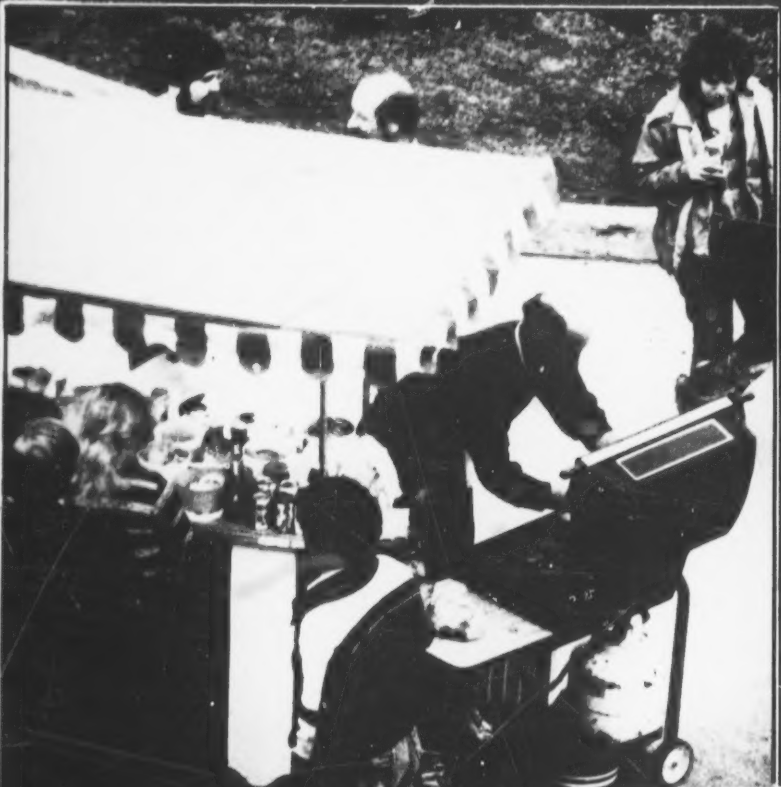
JULY 1984

ALASKA ECONOMIC TRENDS

Alaska Department of Labor   Bill Sheffield, Governor, State of Alaska



1 Alaska Occupational Employment Outlook

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ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

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Funded by:

JOB SERVICE

July 1984
Volume 4
Issue 7

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P Denotes preliminary estimates.

R Denotes revised estimates.

ALASKA OCCUPATIONAL EMPLOYMENT OUTLOOK

By John Van Houten

Alaska's employment growth is anticipated to continue through 1988 but at a subdued pace compared to the past several years. With any growth in employment, growth in jobs does not occur equally in every occupation. Sales and service occupations will show the largest percentage growth from 1983 to 1988. Craft, operator, and labor occupations will gain the least. Sales clerks will have the greatest number of job openings resulting from industry growth plus replacement needs from death and retirement separations. Desk clerks and waiters/waitresses will have the highest employment growth rate.

These are among the findings from Research & Analysis Section's latest employment estimates and projections produced from its industry-occupations (I-O) matrix. The I-O matrix is based on Occupational Employment Statistics (OES) industry surveys which cover all of Alaska's nonagricultural and nonmilitary wage and salary employment. Information is provided for more than 200 specific occupations and includes 1983 base-year occupational employment estimates, 1984 estimates, 1988 projected employment, and average annual job openings resulting from growth and replacement needs from 1983-1988.

The occupations are divided into seven major categories, i.e., managers and officers (1983 estimated employment, 20,100), professionals (29,900), technicians (9,800), service workers (32,400), maintenance and production workers (60,800), clerical workers (43,200), and salespersons (9,900). Occupations in the sales category are projected to show a 15.4% gain from 1983-88, followed by service workers at 12.0%, clerical workers 7.8%, managers and officers 7.7%, professionals 7.3%, technicians 4.5%, and maintenance and production workers 4.4%.

Complete results of the estimates and projections for Alaska statewide, and for Anchorage, and Fairbanks will soon be available in the publication *Alaska Occupational Employment*. Alaska statewide information is presented in Table 1 for a list of 39 specific occupations which have the highest number of job openings projected for growth and employment needs.* These occupations account for 52% of the grand total job openings for all occupations in the matrix. The 1983 employment estimate for each occupation is given along with the percent and numerical change projected between 1983-1988. The employment prospects statement gives a brief supply/demand and job outlook evaluation for each position listed.

The employment prospects statements have been taken from the Alaska Career Information System (AKCIS). Detailed employment outlook information for the occupations listed here and more than 200 others can be found in the AKCIS Occupational Information file.

* The number of job openings considered here do not include turnover openings resulting when employees change jobs or occupations or temporarily quit working. Turnover openings for some occupations may exceed growth and replacement openings, however, there is no good measurement available for turnover. Growth and replacement openings are more indicative of net needs and provide good comparative values among occupations.

The Job Outlook in Brief

Occupation	Estimated Employment 1983	Percent Change in Employment 1983-1988	Numerical Change in Employment 1983-1988
Officers and Managers			
Managers—Restaurant or Bar	618	18.3	113
Managers—Store	1,842	17.2	317
Professionals			
Accountants & Auditors	1,843	6.0	111
Nurses—Professional	2,022	4.6	93

Employment Prospects

Shortage of qualified applicants, particularly for full-service restaurants. Many employers promote from within, some exclusively. The number of establishments is growing in Alaska, so prospects are very good for experienced applicants, particularly those willing to enter at a lower level.

Surplus of applicants. The number of sales and service personnel desiring these promotions make the situations very competitive. The outlook depends on the development of new goods and services, and management's interest in improved marketing techniques and sales organization.

Shortage of fully trained auditors and certified public accountants (CPA). The outlook depends mainly on the health of Alaska's economy, greater use of accounting services by all size of firms and the public sector, complexity of tax laws, and government regulation of financial reporting. A steady demand is anticipated for accountants and auditors in Alaska.

Slight shortage of applicants. Outlook depends on extension of prepayment programs, and increased interest in preventive medicine and rehabilitation of the handicapped. In Alaska, the supply is unevenly distributed by geographic area and specialty, causing shortages in some less populated areas of the state.

Occupation	Estimated Employment 1983	Percent Change in Employment 1983-1988	Numerical Change in Employment 1983-1988
Teachers—College	1,675	11.9	200
Teachers—Elementary	3,862	11.9	461
Teachers—Secondary	3,224	11.9	385
Service Workers			
Bartenders	1,481	17.7	262
Child Care Workers	814	10.7	87
Cooks—Institutional	971	9.7	94
Cooks—Restaurant	1,330	17.4	232
Cooks—Short Order Speciality Fast Food	907	18.1	164
Food Preparation & Service Workers—Fast Food	2,495	18.1	452

Employment Prospects
Extreme surplus of applicants. Outlook depends on new training and research programs, and on financial support of post-secondary institutions. Currently, there is a surplus of applicants in most disciplines at both state and national levels, resulting in extremely keen competition for jobs.
Supply varies with location and speciality. Most openings are in rural school districts where turnover is high. In urban areas, there is a surplus in the less-specialized areas of teaching.
Supply varies with location and speciality. Most openings are in rural school districts where turnover is high. In urban areas, there is a surplus in the less specialized areas of teaching.
Slight surplus of applicants. Openings are created by those who leave the occupation. The turnover rate is moderately high. Demand for bartenders increases in the summer creating some seasonal opportunities
Balance to slight surplus of applicants. However, turnover is high, resulting in a large number of openings. The outlook depends on the demand for child care and on public and private willingness to fund child care. Moderate growth is expected.
Balance of applicants. Outlook depends on turnover due to replacement of those leaving the occupation. Though the food service industry is growing as a whole, little or no growth is expected in institutional setting.
Balance to slight shortage of applicants. Highly skilled cooks and chefs can usually find work. While the food service industry is growing, most new establishments are fast food, which do not create openings for cooks and chefs.
Balance of applicants. The outlook depends on the replacement of those who leave the occupation. Turnover is relatively high. Opportunities usually exist for experienced persons, while there is generally a surplus of applicants for entry-level positions.
Surplus of applicants. While turnover is high, there are still many more applicants than openings, probably due to the fact that most positions are entry level and require little or no training and experience.

Occupation	Estimated Employment 1983	Percent Change in Employment 1983-1988	Numerical Change in Employment 1983-1988
Guards & Doorkeepers	1,048	9.8	103
Janitors/Porters/Cleaners	4,552	10.3	468
Kitchen Helpers	1,798	15.8	284
Maids	1,445	15.9	229
Nurses/Aides/Orderlies	1,548	7.8	120
Waiters/Waitresses	3,545	18.3	648
Craft Persons/Operators/ Laborers			
Automotive Mechanic	1,612	9.1	146

Employment Prospects
Slight shortage of qualified applicants for some positions. Near balance overall. The outlook depends on replacement of those who leave the occupation and the use of security services by public and private enterprises and agencies. Competition is keen for higher paying jobs. Turnover is realtively high. Part-time work is available.
Balance of applicants. Competition is keen for the better paying positions. Job turnover is high, especially in the lower pay ranges but there are usually applicants for these openings as well. Some part-time work is available for students.
Balance to slight surplus of applicants. The outlook depends on replacing those who leave the occupation. High job turnover will create most openings. Demand is higher in more populous areas.
Slight surplus of applicants. The outlook depends on the replacement of those who leave the occupation, the level of commercial and tourist activity, and the number of motels, hotels, and health facilities. High turnover creates a steady replacement demand. Demand increases during the summer season, causing shortages in some areas.
Balance of applicants. Outlook depends on replacement of those who leave the occupation and on the number of hospitals and convalescent and nursing homes. Because of expansion of medical services, this occupation is expected to grow at a faster than average rate. Because turnover is high, opportunities are generally available
Balance of applicants. Job turnover is high. Competition for the higher paying, more prestigious positions may be keen. Prospects are fairly good for beginners who convey a pleasant manner, neat appearance, and the willingness to work the less-popular shifts. Demand increases during the summer months, providing some seasonal opportunities
Slight shortage of fully qualified workers. The outlook depends on general economic conditions in Alaska, the cost and supply of gasoline, and the willingness of employers to provide on-the-job training. Some employers report a surplus of applicants with some training but no practical experience. The demand is expected to increase for auto mechanics.

Occupation	Estimated Employment 1983	Percent Change in Employment 1983-1988	Numerical Change in Employment 1983-1988
Baggers	701	18.1	127
Cannery Workers	5,225	2.7	142
Carpenters	2,444	-3.6	-89
Delivery & Route Workers	1,002	14.2	142
Maintenance Repairers—General Utility	2,741	8.3	227
Stock Clerks—Sales Floor	1,330	17.3	230
Clerical Workers			
Accounting Clerks	2,255	6.5	147
Bookkeepers—Hand	2,106	9.2	194

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 3/84	r/ 2/84	3/83	p/ 3/84	r/ 2/84	3/83	p/ 3/84	r/ 2/84	3/83
Mining	$23.43	$22.55	$21.91	51.1	49.1	51.5	$1197.27	$1107.21	$1128.37
Contract Construction	24.72	23.90	23.36	41.2	41.1	42.2	1018.46	982.29	985.79
Manufacturing	12.79	14.21	12.90	41.6	34.5	34.7	532.06	490.25	447.63
Food & Kindred Products	8.26	8.72	8.49	42.3	26.6	30.3	349.40	231.95	257.25
Lumber & Paper Products	17.37	17.18	16.34	41.2	40.6	39.1	715.64	697.51	638.89
Trans. Comm. & Utilities	15.29	15.25	15.47	36.6	38.8	37.0	559.61	591.70	572.39
Trade	10.47	10.19	9.72	34.2	34.0	34.3	358.07	346.46	333.40
Wholesale	12.03	12.00	11.15	37.3	37.9	37.4	448.72	454.80	417.01
Retail	9.81	9.43	9.10	33.0	32.6	33.2	323.73	307.42	302.12
Fin.-Insurance & R. Estate	—	—	—	—	—	—	353.65	362.25	352.02

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Employment Prospects
Surplus of applicants. The outlook depends primarily on the expansion of larger grocery stores that use grocery baggers services, and on replacement of those who leave the occupation. Competition is keen, especially for part-time jobs.
Slight shortage of applicants. The outlook depends on replacement of those who leave the occupation, the size of the catch, and technological changes in canning or freezing methods. Moderate employment growth is anticipated. Employment is usually high in the summer.
Surplus of qualified applicants. The outlook depends on the level of building construction, seasonality, replacement of those who leave the occupation, and general economic conditions around the state. Prospects are best for those with all-around training. The change in employment for carpenters shows negative numbers, resulting from a projected decline in construction. However, because of job separations the occupation ranks high in job openings.
Surplus of qualified applicants. Entry level skills require little training and makes for an abundance of applicants and competition for job openings.
Moderate surplus of applicants. Openings will arise from worker retirement, moderate job turnover, and creation of new jobs due to expansion of the Alaskan economy.
Surplus of applicants particularly for entry level positions. However, due to high turnover at this level, opportunities will arise. The outlook depends on the expansion of trade, the general economic stability, and the rate of automation of these tasks.
Moderate surplus of applicants. Most positions are entry level and openings are created as workers advance to other positions or leave the occupation. Turnover is high, though competition is often keen for entry level positions.
Balance of skilled applicants. The outlook depends mainly on general business in Alaska and the replacement of those who leave the occupation. There is a shortage of applicants with bookkeeping and secretarial skills. Many employers require both. Remote areas offer many part-time opportunities.

Occupation	Estimated Employment 1983	Percent Change in Employment 1983-1988	Numerical Change in Employment 1983-1988
Cashiers	2,712	16.2	444
Clerical Supervisors	1,256	6.3	79
Desk Clerk	463	18.6	86
General Clerks—Office	5,556	6.6	367
Receptionists	1,371	8.3	114
Secretaries	5,341	7.2	385
Stock Clerks—Stockroom Warehouse	1,882	11.4	215
Teacher Aides	1,631	11.8	193

Employment Prospects
Surplus of applicants. The outlook depends on expansion of business activities, replacement of those who leave the occupation, and technological advances in computerized pricing and in change-making equipment. Turnover is relatively high, but competition is still keen for these primarily entry level positions.
Balance to slight surplus of applicants. These positions are often filled by promotion from within the firm, and few openings are available to entry level applicants.
Slight surplus of inexperienced applicants. Demand is good in Alaska, particularly for people with training and/or experience. Demand is expected to increase as hotels and motels are built or expanded, though use of computerized reservations systems by some national chains will limit this somewhat.
Balance to slight surplus of applicants. The outlook depends mainly on the economy of Alaska and the need to replace workers who leave the occupation. The demand for office clerks in Alaska is good. These are typically entry level positions which experience high turnover as workers move on to other positions.
Surplus of applicants. Turnover and promotions will create some openings. Most employers prefer applicants with clerical skills in addition to phone answering and greeting abilities.
Balance to slight surplus of applicants. The outlook depends mainly on a healthy state economy and the need to replace workers who leave the occupation. Prospects are better for secretaries with word processing or specialized skills such as legal or medical work.
Surplus of applicants, particularly for entry level positions. However, due to high turnover at this level, opportunities will arise. The outlook depends on the expansion of trade, the general economic stability, and the rate of automation of these tasks.
Large surplus of applicants. Competition is high enough in some areas that certified teachers are taking these positions. Outlook depends on replacement of those who leave the occupation, size of student population, the role of aides within the school settings, and upon financial backing from individual school districts.

Occupation	Estimated Employment 1983	Percent Change in Employment 1983-1988	Numerical Change in Employment 1983-1988
Tellers	1,023	9.5	97
Typists	3,298	3.6	120
Salespersons			
Sales Clerks	5,160	16.1	833

Employment Prospects
Surplus of applicants for entry-level positions. The outlook depends on expansion of business and banking activities, replacement of those leaving the occupation, and on technological advances in banking equipment.
Balance of applicants. The outlook depends mainly on the economy of Alaska and the need to replace workers who leave the occupation. Clerk Typist is typically an entry level position in most offices and openings are created as workers move on to other positions. Turnover is high. Moderate growth is anticipated.
Surplus of applicants. The outlook depends on general business conditions, expansion of retail sales facilities, the degree to which computerized checkout systems are utilized, and replacement of those who leave the occupation. Turnover is high but the number of applicants will continue to exceed the number of jobs.

ALASKA

By Ed Eboch

Alaska's seasonal industries, construction and manufacturing, were major contributors to May's strong employment growth. All industries experienced increases in employment as the support industries responded to the beginning of the tourist season and to growth in the basic industries. While employment was up strongly in May and above last year there was evidence of over-the-year weakness in some sectors of the state's economy. While up for the month, employment in hard rock mining was down considerably from last year as weak mineral prices continue to depress the industry. May preliminary data indicates hotel employment as approximately equal to last years, while restaurant employment was down from last May levels. Early 1983 was an exceptionally good period for hotels, motels and restaurants as the traditionally soft winter and spring months saw record business travel to Alaska. The high occupancy rates of last year are not being repeated in the spring of 1984. The employment data is reflecting this return to more normal levels of discretionary travel.

Tourism

Good news for the tourism industry. People are traveling more this year than in the past. Early indications are that visitors are arriving earlier and in greater numbers to Alaska. According to Alaska's Division of Tourism, highway traffic in May was above last year at Tok. The Southeast has a net addition of three tour ships plying the Inside Passage. So far the additional competition has not impacted existing operators as tour ship bookings are up from last year. The tour ships are operating at full or near full capacity during this "economy price" spring period. Lodges and fishing resorts appear to be doing well and increased interest in the latest competitor to the market, bed and breakfast accommodations, all suggest that this could be a good year for the tourist industry. Bed and breakfast is becoming a popular, less costly, way to visit Alaska; and, with hotel space scarce during the tourist season, is a welcome addition to the Alaska tourist picture.

Alaska's tourist season will face some stiff competition later this summer from the Summer Olympics in Los Angeles, the World's Fair in New Orleans, and a month long celebration of Donald Duck's birthday at Disney World in Florida. The Summer Olympics will be the big competitor as it will be trying to reach much of the same income and age group as would normally be attracted to Alaska. With this being the only opportunity to see the Olympics in the United States for many years, the Summer Olympic games may reduce U.S. visitors to Alaska. However it may give foreigners the opportunity to see Alaska while on route to or from the Olympic games, especially for those visitors using the polar route through Alaska. A long awaited improvement in the exchange rate would also be a

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P	R			
	5/84	4/84	5/83	**4/84**	**5/83**
Nonag. Wage & Salary	219300	211200	214100	8100	5200
Mining	8300	8200	8200	100	100
Construction	19400	17000	20200	2400	-800
Manufacturing	11600	9900	11700	1700	-100
Food & Kindred Prod.	5900	4500	5800	1400	100
Lumber & Paper Prod.	2700	2500	3000	200	-300
All Other Mfg.	3000	2900	2900	100	100
Trans. Comm. & Utilities.....	18900	18100	18800	800	100
Trucking & Whseing.	2400	2300	2100	100	300
Water Transportation	1300	1200	1300	100	0
Air Transportation	5900	5600	6000	300	-100
Other Trans. Comm. & Utilities	9300	9000	9400	300	-100
Trade	43700	42600	41200	1100	2500
Wholesale	8500	8400	7700	100	800
Retail	35200	34200	33500	1000	1700
Gen. Merchandise & Apparel	4900	4800	4500	100	400
Food Stores	6200	6200	5400	0	800
Eating & Drinking Places...	11800	11400	12200	400	-400
Other Retail Trade	12300	11800	11400	500	900
Fin.-Insurance & R. Estate	11200	10900	10500	300	700
Services & Misc.	39800	38900	39200	900	600
Government	66400	65600	64300	800	2100
Federal	18200	17500	17800	700	400
State	19500	19700	18500	-200	1000
Local	28700	28400	28000	300	700

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P Denotes premilinary estimates.

R Denotes revised estimates.

help in attracting foreign visitors to Alaska.

Data Revisions

Statewide and regional employment estimates are published monthly in *Alaska Economic Trends*. These numbers are sample based and therefore subject to error. However, by using a sample based estimate, employment data are available on a timely basis. The estimates are reliable in identifying directions and magnitude of employment changes. However, the most accurate source of employment data is an actual count based on unemployment insurance tax reports made by employers to the Alaska Department of Labor. Unfortunately these data, summarized in the "ES-202", are not available for six to nine months after the employment occurs. The Department of Labor, Research & Analysis now has available 1983 ES-202 data. The data will be published shortly in the Departments *Statistical Quarterly* and gives employment and wage data by industry and area in greater detail than that published in *Alaska Economic Trends*. For more information contact: Department of Labor, Research & Analysis, P.O. Box 1149, Juneau, Alaska 99802.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	R		P	R		P	R		P	R	
	5/84	4/84	5/83	5/84	4/84	5/83	5/84	4/84	5/83	5/84	4/84	5/83
Alaska Statewide	242944	236701	232076	25628	27962	25079	10.5	11.8	10.8	217316	208739	206997
Anchorage-MatSu Region	125818	123008	117968	10781	11577	10222	8.6	9.4	8.7	115037	111431	107746
Anchorage	113416	110594	106352	9040	9490	8591	8.0	8.6	8.1	104376	101104	97761
Matanuska-Susitna	12402	12414	11616	1741	2087	1631	14.0	16.8	14.0	10661	10327	9985
Gulf Coast Region	26534	25392	25654	3515	3926	3909	13.2	15.5	15.2	23019	21466	21745
Cordova	1371	1293	1331	139	144	167	10.1	11.1	12.5	1232	1149	1164
Kenai	13856	13246	13282	2127	2309	2202	15.4	17.4	16.6	11729	10937	11080
Kodiak	5785	5525	5675	529	623	710	9.1	11.3	12.5	5256	4902	4965
Seward	1942	1859	1933	300	328	382	15.4	17.6	19.8	1642	1531	1551
Valdez	3580	3469	3433	420	522	448	11.7	15.0	13.0	3160	2947	2985
Interior Region	33120	32399	31417	4875	5273	4873	14.7	16.3	15.5	28245	27126	26544
Fairbanks	27065	26443	25673	4043	4333	4087	14.9	16.4	15.7	23022	22110	21636
Southeast Fairbanks	2611	2561	2441	302	343	271	11.6	13.4	11.1	2309	2218	2170
Upper Yukon	814	802	784	125	141	137	15.4	17.6	17.5	689	661	647
Yukon-Koyukuk	2630	2593	2519	405	456	428	15.4	17.6	17.0	2225	2137	2091
Northern Region	11161	11575	12442	1018	1345	1057	9.1	11.6	8.5	10143	10230	11385
Barrow-North Slope	2912	2977	3259	176	218	188	6.0	7.3	5.8	2736	2759	3071
Kobuk	3530	3672	3947	382	497	414	10.8	13.5	10.5	3148	3175	3533
Nome	4719	4926	5236	460	630	455	9.7	12.8	8.7	4259	4296	4781
Southeast Region	33663	32725	32322	3951	4553	3858	11.7	13.9	11.9	29712	28172	28464
Angoon	463	437	435	70	64	58	15.1	14.6	13.3	393	373	377
Haines	1127	1108	1153	125	157	193	11.1	14.2	16.7	1002	951	960
Juneau	11796	11489	11461	1009	1262	1128	8.6	11.0	9.8	10787	10227	10333
Ketchikan	7179	7002	6743	929	1076	755	12.9	15.4	11.2	6250	5926	5988
Outer Ketchikan	892	825	877	156	127	172	17.5	15.4	19.6	736	698	705
Prince of Wales	1613	1622	1574	238	319	257	14.8	19.7	16.3	1375	1303	1317
Sitka	4892	4518	4529	535	387	355	10.9	8.6	7.8	4357	4131	4174
Skagway	1649	1660	1761	196	282	369	11.9	17.0	21.0	1453	1378	1392
Wrangell-Petersburg	4052	4064	3789	693	879	571	17.1	21.6	15.1	3359	3185	3218
Southwest Region	12648	11602	12273	1488	1288	1160	11.8	11.1	9.5	11160	10314	11113
Aleutian Islands	3209	2978	3200	174	173	178	5.4	5.8	5.6	3035	3805	3022
Bethel	4129	3764	3994	579	483	459	14.0	12.8	11.5	3550	3281	3535
Bristol Bay Borough	446	425	442	46	55	43	10.3	12.9	9.7	400	370	399
Bristol Bay	1694	1537	1608	195	152	116	11.5	9.9	7.2	1499	1385	1492
Kuskowkim	1184	1083	1094	216	188	130	18.2	17.4	11.9	968	895	964
Wade Hampton	1986	1815	1935	278	237	234	14.0	13.1	12.1	1708	1578	1701

P =Preliminary 1983 Benchmark

R =Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

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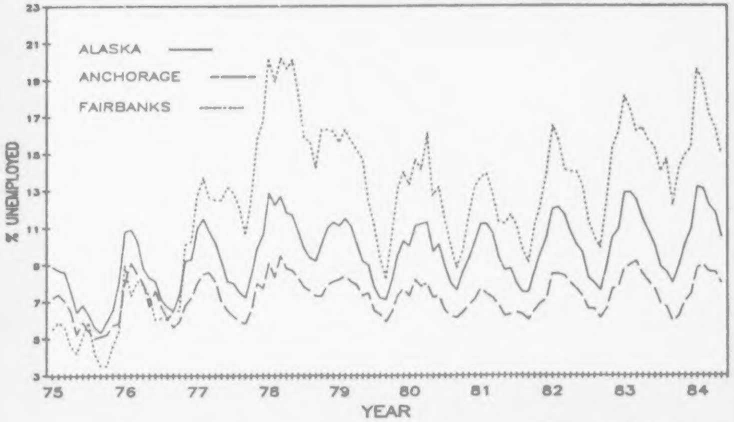
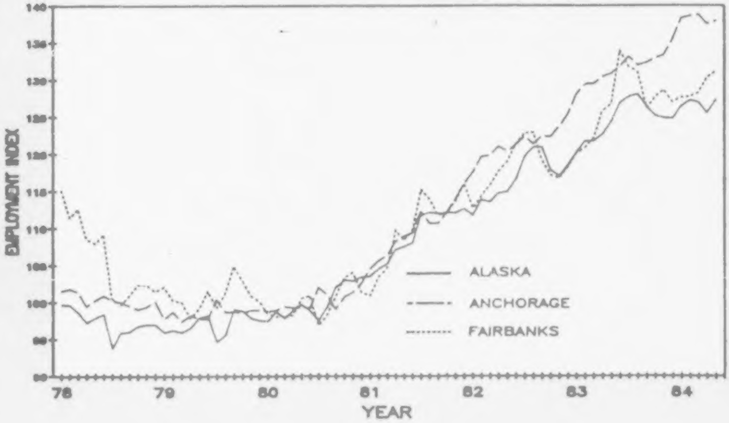
UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present



source: Ak. Dept. of Labor

Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present



ANCHORAGE/MATSU

By Greg Huff

Profile of the Anchorage Nonresident Job Seeker
Part II

The following article is the second part of a series outlining the characteristics of Anchorage nonresident job seekers. Last month, Part I covered characteristics of Anchorage job seekers whose last job was located outside of Alaska. Part II focuses on Anchorage job seekers who last worked elsewhere in Alaska.

Throughout the year, many Alaskans from around the state journey to Anchorage in search of a job. For some rural Alaskan residents, it may be their only chance to participate in Alaska's "cash economy". Many Alaskans use Anchorage as a home base and when laid off return to Anchorage to begin the job search again. Others come to Anchorage for a variety of other reasons such as school or for a greater diversity of job opportunities. Since Anchorage is the largest and most significant transportation and commerce hub in Alaska, this influx of job seekers is likely to continue. This profile of Anchorage nonresident job seekers gives information about where the individual comes from, their occupation, and various other characteristics.

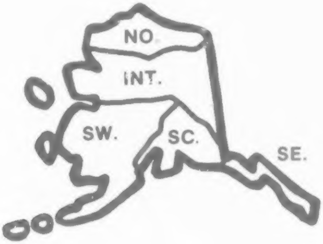
The profile is based on Anchorage Job Service applications. A sample of these applications were reviewed from February through mid-May 1984. Answers to eight questions were retrieved from the applications: 1) location of last job, 2) primary occupation, 3) reason left previous job, 4) race, 5) sex, 6) age, 7) family size, and 8) education.

Location

Alaskans come to Anchorage from all areas of the state in search of jobs. More job seekers come from the South Central region than any other region. This region includes the Kenai Peninsula, Prince William Sound and the MatSu area but excludes Anchorage (Table I). The bulk of job seekers from the Interior and Northern regions were from Fairbanks and the North Slope. Juneau led among Southeast cities and Bethel among Southwest cities.

Table I
Origin by Region and Rank

	Percent Distribution
Southcentral (excludes Anchorage)	37
Southeast	19
Southwest	16
Interior	14
Northern	14



Occupational Characteristics

The primary job skills or occupation are diverse, but those with construction skills represented the largest proportion of Anchorage job seekers (Table II). Detailed characteristics of those job seekers with construction skills reveal that a majority had general construction and laborer skills. The remaining responses indicated specific construction skills such as plumbing, welding, electrical, carpentry and heavy equipment operator.

Occupational characteristics by sex followed traditional lines with women representing the majority of those seeking clerical and service related jobs while men make up the majority of those seeking construction, transportation and mechanics jobs.

Table II
Job Skills by Occupation

	Percent Distribution
Construction	30
Professional, Technical & Mgmt.	19
Clerical Sales	16
Services	11
Fishery & Forestry	11
Trucking & Warehouse	8
Mechanics	5

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P 5/84	R 4/84	5/83	CHANGES FROM: 4/84	 5/83
Nonag. Wage & Salary	114650	111450	108600	3200	6050
Mining	3500	3600	3650	-100	-150
Construction	9900	8650	9750	1250	150
Manufacturing	2650	2350	2500	300	150
Trans. Comm. & Utilities	9550	9300	9400	250	150
Trade	28350	27850	26200	500	2150
Fin.-Insurance & R. Estate	7900	7700	7400	200	500
Services & Misc.	24400	24100	23400	300	1000
Government	28400	27900	26300	500	2100

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P 5/84	R 4/84	5/83	CHANGES FROM: 4/84	 5/83
Nonag. Wage & Salary	109000	106560	103400	2560	5600
Mining	3500	3550	3650	-50	-150
Construction	9100	8300	9050	800	50
Manufacturing	2600	2300	2450	300	150
Food & Kindred Prod.	550	350	550	200	0
Other Mfg.	2050	1950	1900	100	150
Trans. Comm. & Utilities	9000	8800	8850	200	150
Trucking & Whseing.	1150	1250	1100	-100	50
Water Transportation	350	300	400	50	-50
Air Transportation	3700	3550	3700	150	0
Other Trans. Comm. & Utilities	3800	3700	3650	100	150
Trade	27100	26700	24950	400	2150
Wholesale	6250	6150	5850	100	400
Retail	20850	20550	19100	300	1750
Gen. Merchandise	1700	1700	1600	0	100
Food Stores	2750	2750	2450	0	300
Eating & Drinking Places	8050	7950	7500	100	550
Other Retail Trade	8350	8150	7550	200	800
Fin.-Insurance & R. Estate	7600	7350	7200	250	400
Services & Misc.	23600	23350	22650	250	950
Government	26500	26150	24600	350	1900
Federal	10200	9900	9850	300	350
State	6700	6800	6250	-100	450
Local	9600	9450	8500	150	1100

Other Characteristics

Responses from job seekers on the reason for leaving their last job ranged from simply stating "Moved to Anchorage" to "Laid Off" (Table III). Mixed among the responses "Moved to Anchorage" are a few responses such as relocate, moved to the big city or returned to Anchorage. Among the "other" response category were responses ranging from left town to couldn't handle the isolation.

Like Anchorage's population, job seekers tended to be young. Survey results showed the age group 26-30 years old representing over a third of all job seekers. Over half of the job seekers were 30 years old or younger. Reflective of the young age of the job seekers, 54% were single. Of those with families, not all have the family members with them. Many job seekers leave the family at home and wait until a job is secured before sending for them. Others are after a grubstake and return home after a job is over.

Table III
Other Characteristics

Reason for Leaving Last Job

	Percent Distribution
Laid Off	27
Moved to Anchorage	24
"Other" Reasons	19
Lack of work	16
Seasonal	9
School	5

Race

	Percent Distribution
White	70
Am. Indian and Native	30

Age

	Percent Distribution
16-20	3
21-25	14
26-30	35
31-35	8
36-40	11
41-45	8
46-50	14
56-60	5
No response	2

Table III
(Continued)

Family Size

	Percent Distribution
Single	54
Two	8
Three	11
Four	8
Five or More	5
No Response	14

Education

	Percent Distribution
Not High School Graduate	14
High School Graduate	41
Some College or Vocational School	30
4 or More Years of College	14
No Response	1

FAIRBANKS/INTERIOR

By Neal Fried

Fairbanks' Income Picture

According to figures just released by the U.S. Department of Commerce, Fairbanks' per capita income for 1982 was $18,381. What is the meaning of this number? How does it compare to the rest of the state and nation, and historically, has it kept up with the cost-of-living in Fairbanks?

This figure is calculated by dividing Fairbanks' total personal income by the Fairbanks North Star Borough's total population. Personal income is made up of all sources of income received by Fairbanks residents, including wages, rents, interest, transfer payments, retirement payments, and other income. These figures must be used with caution because they: 1) rely on population estimates which may be inaccurate, 2) a temporary economic event may briefly inflate or depress these figures, and 3) the population dynamics of an area may produce figures which are not necessarily representative of the economic health of an area's population. For example, if a community has a disproportionately large university student population, this could depress its income. As long as these figures are used cautiously, they can reveal a great deal about a community's economic health.

Over the past decade (1972-1982), per capita income in Fairbanks has more than tripled. The reason people may not feel that much richer is because inflation consumed a good portion of this increase. In inflation adjusted dollars per capita income increased by 48%. (All other references will be to inflation adjusted figures.) Prior to 1974, Fairbanks' income grew slowly. With the onset of oil pipeline construction in 1974, income began to skyrocket, as real per capita income grew by 19% that year. The following year broke all previous and present records as real per capita income grew by 53%. It is unlikely that this growth in income for one year will ever be matched again. Income not only grew because of high pipeline wages and rapid growth in employment but also because many of the people earning this income were single and without dependents. Per capita income may have also been overstated because the population estimates made for these years tended to be conservative. In spite of this, the income numbers were phenomenal.

Income continued to climb through 1976 and then began to fall in both real and adjusted dollars through 1978. In 1979, income began to inch upward again, but in real terms was still losing the battle against inflation. In 1980, growth was strong enough to make gains on inflation. This trend continued through 1982. Real per capita income increased by 15 percentage points between 1980-1982. The strength of these figures comes as a result of

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P	R		CHANGES FROM:	
	5/84	4/84	5/83	4/84	5/83
Nonag. Wage & Salary	27700	26850	26900	850	800
Mining	300	300	300	0	0
Construction	2650	2150	2700	500	-50
Manufacturing	550	550	600	0	-50
Trans. Comm. & Utilities	2900	2800	2950	100	-50
Trucking & Whseing.	500	450	450	50	50
Air Transportation	700	650	700	50	0
Other Trans. Comm. & Utilities	1700	1700	1800	0	-100
Trade	5750	5700	5400	50	350
Wholesale	850	900	850	-50	0
Retail	4900	4800	4550	100	350
Gen. Merchandise & Apparel	400	400	400	0	0
Food Stores	800	800	750	0	50
Other Retail Trade	3700	3600	3400	100	300
Fin.-Insurance & R. Estate	1000	1000	950	0	50
Services & Misc.	5150	5000	5000	150	150
Government	9400	9350	9000	50	400
Federal	2700	2550	2600	150	100
State	3850	4000	3700	-150	150
Local	2850	2800	2700	50	150

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P	R		CHANGES FROM:	
	5/84	4/84	5/83	4/84	5/83
Nonag. Wage & Salary	31800	30600	30500	1200	1300
Mining	450	400	450	50	0
Construction	2700	2200	2800	500	-100
Manufacturing	600	550	600	50	0
Trans. Comm. & Utilities	3600	3550	3700	50	-100
Trade	6200	6050	5750	150	450
Fin.-Insurance & R. Estate	1100	1050	1000	50	100
Services & Misc.	5500	5350	5300	150	200
Government	11650	11450	10900	200	750

a booming economy where total wages increased by 38% during these same years.

During the past decade, Fairbanks' per capita income has consistently remained 25% above the nation's. Since the mid-1970's, the percentage has climbed past 25% and reached 73% in 1982. Over the decade, Fairbanks' per capita income has increased more rapidly than the United States as a whole. The nation's real per capita income increased a paltry 6.5% compared to Fairbanks' 48.1%. Whether the difference between Fairbanks' and the nation's per capita incomes is large enough to make up the cost-of-living difference cannot be readily answered for lack of data. Given the widening gap between Fairbanks' and the nation's income and Fairbanks recent overall economic performance, it does appear that despite the cost of living increases, Fairbanks residents are enjoying a higher real per capita income.

A comparison between the State and Fairbanks is not as dramatic. Both the State's and Fairbanks' per capita income have followed a similar pattern over the years. Fairbanks has been 5-10% higher than the state for the past decade. In 1982, Fairbanks ranked 4th in the state out of 29 areas. Given Fairbanks' economic performance in 1983 and thus far in 1984, per capita income figures for these years are likely to continue to be impressive.

Per Capita Income
1970-1982

	Fairbanks	Alaska	U.S.
1970	$4,928.	$4,726.	$3,945.
1971	5,127.	4,989.	4,167.
1972	5,526.	5,285.	4,515.
1973	5,952.	6,104.	5,010.
1974	7,864.	7,180.	5,448.
1975	13,723.	9,554.	5,842.
1976	14,170.	10,725	6,367.
1977	11,993.	10,967.	6,984.
1978	11,883.	10,957.	7,775.
1979	12,269.	11,344.	8,657.
1980	13,991.	12,918.	9,483.
1981	16,618.	14,819.	10,495.
1982	18,381.	16,598.	11,100.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Per Capita Income
Adjusted to 1970 Dollars
1970-1982

	Fairbanks	Alaska	U.S.
1970	$4928.	$4726.	$3945.
1971	4963.	4830.	3994.
1972	5211.	4984.	4190.
1973	5385.	5523.	4377.
1974	6418.	5861.	4289.
1975	9848.	6857.	4214.
1976	9437.	7143.	4343.
1977	7490.	6850.	4475.
1978	6927.	6387.	4627.
1979	6478.	5990.	4631.
1980	6700.	6187.	4468.
1981	7368.	6571.	4480.
1982	7715.	6967.	4464.

GULF COAST

By Neal Fried

1984 Employment

Gulf Coast employment grew again in May, marking the fifth consecutive month of employment growth in the region. This is the fourth straight year of robust employment growth in the Gulf Coast region. Though the rate of increase has come down from 8% in 1982 to 6% in 1983, it is still one of the fastest growing regions of the state. No single industry is responsible, but construction, trade, and services are the growth leaders. With the exception of manufacturing, all industries added employment or remained stable. Within the region, the Kenai Peninsula Borough is the fastest growing area.

Construction employment remains a major contributor to employment growth in this region. Residential, commercial and public construction are all strong. Retail trade employment, like construction, is growing at a double digit rate. Rapid population increases and the increased capacity to consume locally are pushing retail trade employment to new heights. The landscape on the Kenai Peninsula is literally being transformed overnight with new stores and eating and drinking places appearing on every corner

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P 5/84	R 4/84	5/83	CHANGES FROM: 4/84	5/83
Nonag. Wage & Salary	19550	18250	18900	1300	650
Mining	750	750	700	0	50
Construction	2000	1500	1950	500	50
Manufacturing	2550	2200	2500	350	50
Food & Kindred Prod.	1850	1500	1800	350	50
All Other Mfg.	700	700	700	0	0
Trans. & Comm. Utilities.....	2300	2200	2250	100	50
Trade	3200	3100	3050	100	150
Wholesale	450	450	400	0	50
Retail	2750	2650	2650	100	100
Fin.-Insurance & R. Estate	500	500	500	0	0
Services & Misc.	3150	2900	3000	250	150
Government	5100	5100	4950	0	150
Federal	500	500	500	0	0
State	1500	1500	1400	0	100
Local	3100	3100	3050	0	50

and thoroughfare. A good tourism year is expected to provide additional stimulus to this industry. The service industry has been expanding for the same reasons retail trade has grown.

The only industry which has recorded employment numbers below year ago levels is manufacturing, or more specifically, fish processing. Poor shellfish harvests are still affecting manufacturing employment. However, if this year's salmon harvest is good, fish processing employment could actually climb above year ago levels.

Unemployment

The unemployment picture has changed little in 1984. The unemployment rate has fallen slightly (less than a percentage point), but it has remained far above the state and national rates. While employment continues to move ahead, the number of job seekers continues to grow at a similar pace, keeping the unemployment rate high.

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment increased by 1,550 jobs in the month of May to 30,000. The increase in jobs translated into employment growth of 5.4% since the month of April. In May of 1983, nonagricultural employment in Southeast Alaska stood at 29,250. The increase of 750 jobs over last May represents 2.6% employment growth over the year. All sectors of the Southeast economy contributed to the employment growth, but construction, manufacturing and trade led the growth, accounting for 1,100 of the 1,550 jobs.

Construction in Southeast is still contributing heavily to over the month growth due to the large amount of public construction taking place this year. Juneau is one of the largest contributors in this area, with a myriad of public projects ranging from the long awaited downtown parking garage to additions at both of the junior high schools, the city wide water project as well as a major airport renovation project. Construction in the private sector appears to have slowed somewhat with the completion of a large retail complex, and three other large office buildings are either finished or near to completion. However, at least two major retail projects have yet to be completed.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

				CHANGES FROM:	
	P	R			
	5/84	4/84	5/83	4/84	5/83
Nonag. Wage & Salary	30000	28450	29250	1550	750
Construction	2200	1750	2150	450	50
Manufacturing	3450	3150	3750	300	-300
Food & Kindred Prod.	1050	950	1100	100	-50
Lumber & Paper Prod.	2150	1950	2400	200	-250
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities	2100	1950	2000	150	100
Trade	4800	4450	4500	350	300
Wholesale	450	450	450	0	0
Retail	4350	4000	4050	350	300
Fin.-Insurance & R. Estate	1050	1000	950	50	100
Mining, Services & Misc.	4300	4200	4300	100	0
Government	12100	11950	11600	150	500
Federal	2250	2200	2200	50	50
State	5600	5600	5450	0	150
Local	4250	4150	3950	100	300

The impact residential construction is making on employment is the most difficult of the construction sectors to assess because the capital city seems to be entering a new market phase. For the first time in recent memory, Juneauites are experiencing both greater selection and more competitive pricing in housing. These conditions are normal in an unconstrained economy so they would not necessarily signal a decline in residential construction employment. However, the line between an oversupply and an adequate supply is a somewhat tenuous one. Continued growth at 1983's pace would most likely bring about an oversupply situation. If preliminary indications are correct, the housing market in Juneau does seem to have cooled somewhat at least from last year's pace as indicated by a 22% fall in the number of 1984 building permits over that issued during the first quarter of 1983. First quarter data is not the best data to compare the strength of a construction year because the vast majority of building occurs in the second and third quarters.

Skagway Unemployment

For the second time in the last eight months, the methodology by which the Skagway-Yakutat census areas unemployment rate is calculated has been changed. As explained in the November issue of *Alaska Economic Trends*, federal methodology for determining unemployment at the census division level does not normally include railroad unemployment claimants. It was determined that this led to a distortion in the Skagway-Yakutat local area unemployment rate because of the enormous impact that the White-Pass Yukon railroad had on the Skagway economy. The Alaska Department of Labor received permission to include railway claimants in the local area rate in October. Reexamination of this policy by the Bureau of Labor Statistics (BLS) has resulted in the Bureau editing the railroad claimant data before it is entered to ensure that it conforms to federal standards. As a result of editing by the BLS, fewer railroad claimants were defined as unemployed and subsequently the unemployment rate in the Skagway-Yakutat census area dropped.

HOURS AND EARNINGS

By Kathleen Thomas

The high seasonal nature of food and kindred products, mostly comprised of fish and seafood processing, is evident in hours and earning activity of the manufacturing industry over the past two months. Though no major changes occurred in average hourly earnings for March, average weekly hours increased 59% over February and 40% over March 1983. Then in April, average weekly hours decreased 34% from March to settle at only 7% above last year. The sizable increase in the March hours was mainly caused by catching the tanner crab processing figures in the March sample and the completion of this processing before the April survey. The decrease in April served to lower average weekly hours in all manufacturing by 15%. On the whole, April displayed little change in hours and earnings from last month except in manufacturing.

ALASKA
HOURS AND EARNINGS FOR SELECTED INDUSTRIES 1 2

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p 4/84	r 3/84	4/83	p 4/84	r 3/84	4/83	p 4/84	r 3/84	4/83
Mining	$23.45	$23.43	$22.97	49.7	51.1	47.9	$1165.47	$1197.27	$1100.26
Contract Construction	24.71	24.87	23.76	41.3	41.2	42.6	1020.52	1024.64	1012.18
Manufacturing	13.78	12.79	13.77	35.3	41.6	33.0	486.43	532.06	454.41
Food & Kindred Products	8.44	8.26	8.52	28.1	42.3	26.3	237.16	349.40	224.08
Lumber & Paper Products	16.61	17.37	16.72	42.7	41.2	40.1	709.25	715.64	670.47
Trans. Comm. & Utilities	15.55	15.36	15.27	36.6	36.4	37.1	569.13	559.10	566.52
Trade	10.63	10.44	9.84	34.8	34.2	34.9	369.92	357.05	343.42
Wholesale	12.30	12.00	11.11	38.7	37.3	37.6	476.01	447.60	417.74
Retail	9.89	9.79	9.30	33.3	33.0	33.9	329.34	323.07	315.27
Fin.-Insurance & R. Estate	—	—	—	—	—	—	374.60	353.65	353.06

1 Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2 Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

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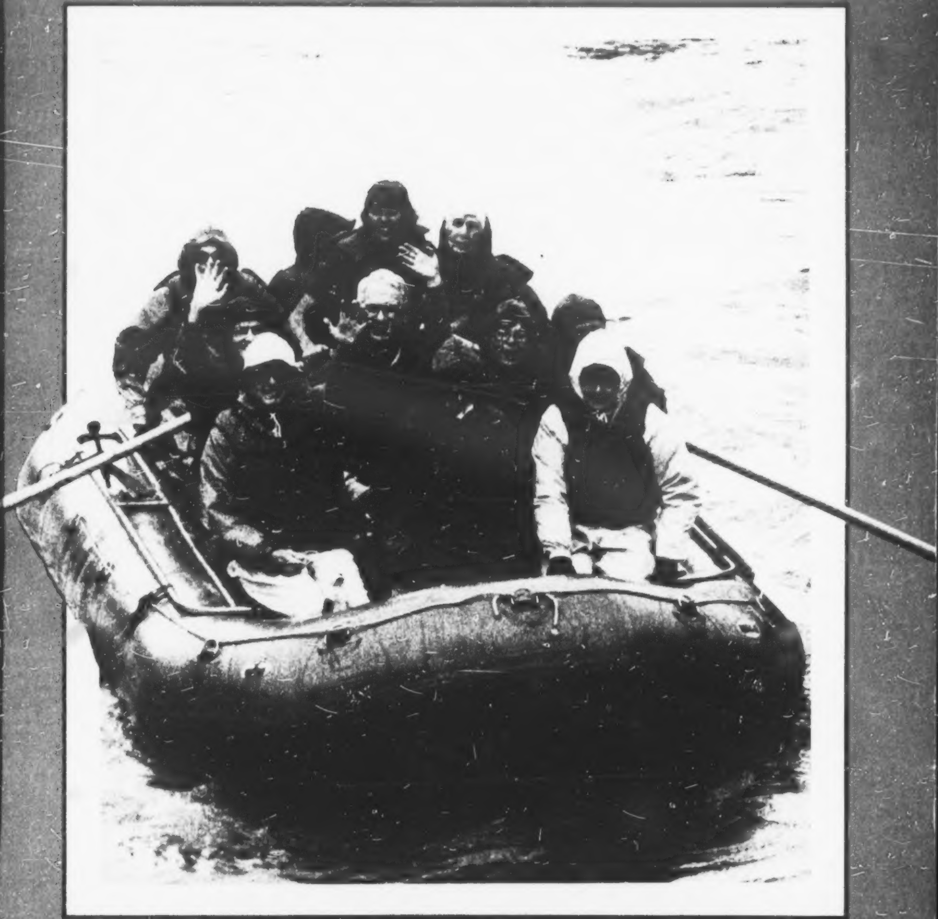
AUGUST 1984
ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



1 Alaska's Visitor Survey

ALASKA ECONOMIC TRENDS

Bill Sheffield, *Governor, State of Alaska*

Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
Chuck Caldwell, *Chief, Research and Analysis*
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Funded by:

JOB SERVICE

August 1984
Volume 4
Issue 8

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P Denotes preliminary estimates.

R Denotes revised estimates.

ALASKA'S VISITOR SURVEY

By Jeff Hadland

Introduction

In cooperation with the Alaska Department of Commerce and Economic Development, Division of Tourism, the Alaska Department of Labor, Research & Analysis Section, recently completed a comprehensive study of Alaska's "Visitor Industry". The results are based upon two major surveys. The primary research tool was a survey of visitors (both business and pleasure) as they left Alaska from October 1982 through September 1983. In addition, a survey of businesses in Alaska affected by visitor expenditures was conducted in the spring of 1983. Data for calendar year 1982 was collected from these "Visitor Affected Businesses". Together, these two surveys provide evidence of the importance of visitor expenditures to Alaska's economy. Approximately 650,000 nonresident visitors came to Alaska during the survey period and spent nearly $1 billion on their Alaska trips (including transportation costs to and from Alaska) which resulted in approximately 9,000 direct visitor related jobs. This article primarily addresses the economic impacts of these visitor expenditures.

Alaska's Visitor Affected Industries

Approximately 60 industry sectors (including hotels, air transportation, eating and drinking, and retail stores) were collectively identified as "Visitor Affected Industries". The Alaska Department of Labor currently codes all Alaska firms into industry categories according to definitions of the Standard Industrial Classification (SIC) Manual. These 60 industrial groups potentially affected by visitor expenditures served as the sample universe. The multiple industries surveyed represent the collective impact of direct visitor expenditure.

Approximately 38,000 employees were paid $2.4 billion in wages during 1982 in these visitor affected industries. These firms were surveyed to determine characteristics including type of business activity, relative importance of visitors, taxes paid, and attitudes about tourism programs. Wage and employment data for most firms was available from Alaska Department of Labor files. Estimates of business attributable to nonresident and resident visitors were prepared. Nonresident visitors are those visitors to Alaska from another state or country. Resident visitors are those Alaskans visiting an Alaska city or area away from their home (that is, a person from Anchorage who visits Fairbanks). That portion of visitor affected industry employment and wages associated with resident and nonresident visitors (rather than local residents of the area in which the business was located) was defined as Alaska's Visitor Industry.

Visitor Industry Employment and Wages

Employment directly associated with nonresident visitor expenditures averages approximately 9,000 employees monthly and makes up 6.5% of total private nonagricultural wage and salary employment. An additional 7,000 jobs are the result of resident visitor expenditures, the purchases of visitors from Anchorage to Fairbanks for instance. (See Figure 1).

This industry employment analysis was designed to be comparable to nonagricultural wage and salary employment. Visitor Industry Employment (16,164) excludes self-employed, unpaid family workers and government workers. Data presented is annual average monthly employment which includes full-time and part-time employment as opposed to full-time equivalent positions.

If these 16,164 "Visitor Industry" jobs are compared with other industry sectors (which is adjusted to exclude employment attributable to visitors) then the visitor industry is the fourth largest private sector employer. (See Table 1). Visitor industry employment is concentrated in eating and drinking establishments, hotels, air transportation and miscellaneous retail trade industry sectors. Nearly 80% of all visitor impact is in these four SIC industries. (See Table 2).

Table 1
Total Employment in Alaska by Industry
1982 Annual Average

Industry	Employment
Services	30,960
Retail Trade	21,411
Construction	16,779
Visitor Industry	16,164
Transportation	15,647
Manufacturing	12,599
Fin.-Insurance & Real	9,057
Mining	8,976
Wholesale Trade	7,205
Miscellaneous	2,007
Total Private Industry	140,805
Government	59,171
Total	199,976

Note: Employment for nonagricultural wage and salary employees subject to Alaska Unemployment Insurance; excludes self employed, unpaid family workers and fish harvesters. Industry employment is adjusted to exclude those jobs directly attributed to resident and nonresident visitor expenditures, as a result, figures are not directly comparable to those published elsewhere. Visitor Industry is defined by the direct impact of resident and nonresident visitor expenditure as a percent of total sales.

Table 2
Visitor Industry Employment and Wages by SIC Industry Sector
1982

	Nonresident Visitor Employment	Nonresident Visitor Wages ($1,000)	Resident Visitor Employment	Resident Visitor Wages ($1,000)
General Merchandise	86	$1,365	1,002	$15,930
Misc. Retail Food	108	6,853	383	6,140
Service Stations RV	71	1,091	116	1,777
Apparel	89	1,042	208	2,455
Eating and Drinking	2,858	32,571	1,768	20,157
Misc. Retail Trade	1,640	26,119	300	1,771
Hotels, Camps, Parks	2,026	23,459	1,615	18,699
Personal Service	43	601	291	1,170
Auto Rental and Repair	174	2,723	78	1,216
Entertainment	70	724	160	1,650
Manufacturing	27	718	22	2,390
Ground Transportation	165	2,354	9	1,962
Air Related Transportation	1,500	43,434	1,052	101,229
Visitor Industry Total	9,157	$143,055	7,007	$359,183

Wages and Occupations by Industry

Wages in visitor industry jobs are approximately 56% of wages in all other industries because visitor industry jobs are in traditionally low paying services and retail trade sectors. On an annual average basis, visitor industry wages are the lowest of all industries. Many of the occupations in the visitor industry require few entry level skills. Eating and drinking establishments and hotels require cooks, waiters and housekeeping employees while most retail establishments require sales clerks. Twenty percent of air transportation employees are pilots making this visitor industry component the one with the highest annual average wages.

Figure 1
Alaska Wage and Salary Employment
Private Industry Only
1982 Annual Average

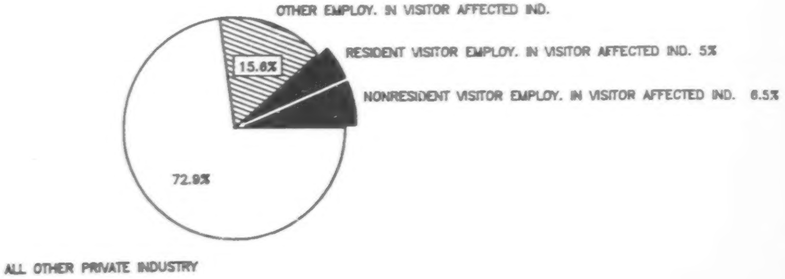


Table 3
Average Annual Wages in Alaska Visitor Industry
Ranked by Industry Component
1982 Average

Air Related Transportation	$28,961
Manufacturing	26,725
Misc. Retail Food	16,807
Misc. Retail Trade	15,924
General Merchandise	15,897
Auto Rental and Repair	15,632
Visitor Industry Average	15,561
Service Stations	15,340
Ground Transportation	14,295
Personal Services	14,156
Apparel	11,775
Hotels, Camps, Trailer Parks	11,579
Eating and Drinking	11,398
Entertainment	10,324

An analysis of wages by specific visitor industry reveals that average wages in air related transportation jobs are $28,961. This is more than twice as high as wages paid for ground transportation jobs. Jobs in visitor related manufacturing which are related to printing, publishing and production of handcrafted goods, pay significantly more than most visitor industry jobs. Wages are less than $12,000 in four visitor industries: apparel, eating and drinking (unreported tips may understate actual earnings), hotels, camps, trailer parks and entertainment. Table 3 ranks average annual visitor industry wages by industry component.

Figure 2
Distribution of Selected Occupations In Visitor Affected Industries
Alaska 1981

Source: Alaska Department of Labor, Occupational Employment Statistics Program prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

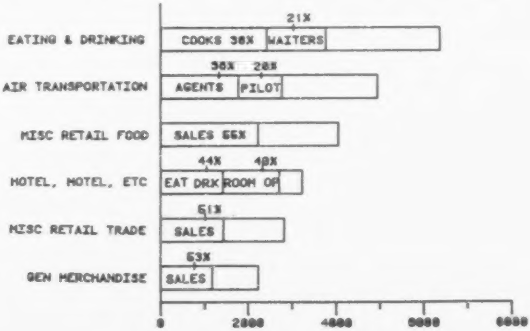
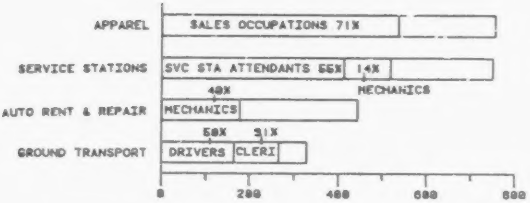


Figure 2
(Continued)



Visitor Industry Sales

Total sales and sales to resident and nonresident visitors were estimated based upon responses from the firm survey. The firms were asked what proportion wages were of their total business expenses. Given the total wage information available from Department of Labor files, total sales were calculated based upon the ratio of wages to sales. The U.S. Department of Commerce, Bureau of the Census conducts a quinquennial economic census that asks all businesses to provide wage and total sales data. Nineteen seventy-seven data is the most recent final economic census information for visitor affected businesses currently available. Economic census data for 1982 will be available during the coming year and will be used to update and adjust sales estimates. Preliminary 1982 census results indicate that estimates for some industries may be conservative.

Table 4
Nonresident Visitor Sales in Alaska Ranked by Industry
1982
(Millions)

Industry	Sales
Misc. Retail	$167.1
Air Related Transportation	130.3*
Eating & Drinking	96.1
Hotels	72.0
Misc. Food	56.2
Auto Rental & Repair	9.1
General Merchandise	7.9
Ground Transportation	6.2
Service Stations	4.6
Apparel	3.6
Manufacturing	2.9
Entertainment	2.5
Personal Services	1.5
Total Sales Attributed to Nonresident Visitors	$560.6

* Air related transportation sales were estimated from traveler exit survey expenditure data and reported wages rather than the wages to sales ratio.

Figure 3
Nonresident and Resident Visitor Sales as Percent of Total Sales in Visitor Affected Industries
Alaska 1982

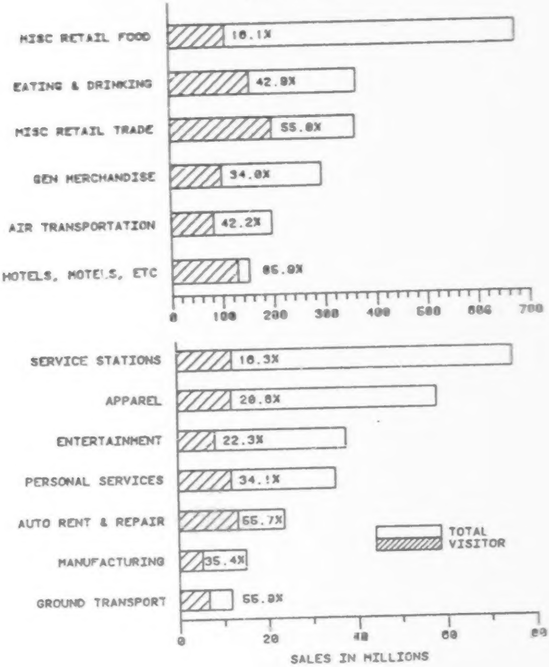


Table 5
Total NonAlaskan Visitors Exiting Alaska by Month and Mode
October 1982-September 1983

	Oct-Dec	Jan-Mar	April
Domestic Air	66,000	71,800	21,300
Anchorage Int'l Air	2,780	2,710	1,115
Highway	1,500	1,686	1,380
Ferry	1,605	1,187	475
Cruiseship	—	—	—
Misc. Aircraft & Watercraft	297	444	276
Total	75,182	77,827	24,546

Number of Visitors to Alaska

In addition to the firm survey of visitor affected businesses, travelers leaving Alaska by all different modes of transportation were contacted between October 1982 and September 1983. More than 10,700 completed surveys were coded and tabulated. Included in these surveys were responses from 6,761 visitors to Alaska for business, pleasure or a combination of the two. Visitors were contacted on departure to obtain impressions of the state after their trip.

Between October 1982 and September 1983, a total of 645,960 business and pleasure visitors left Alaska. Most travelers departed by domestic air carriers which transported over 67% of all visitors. A little more than two thirds of all visitors came to Alaska during the months of June through September.

Approximately 50% of all visitors during the year resided in Washington, Oregon or California; most of the pleasure visitors came from California and most of the business visitors came from Washington State. (See Figure 1.) Approximately two thirds of all visitors spent some time in Anchorage. Nearly 40% of the average 16.8 nights spent in Alaska were spent in Southcentral Alaska.

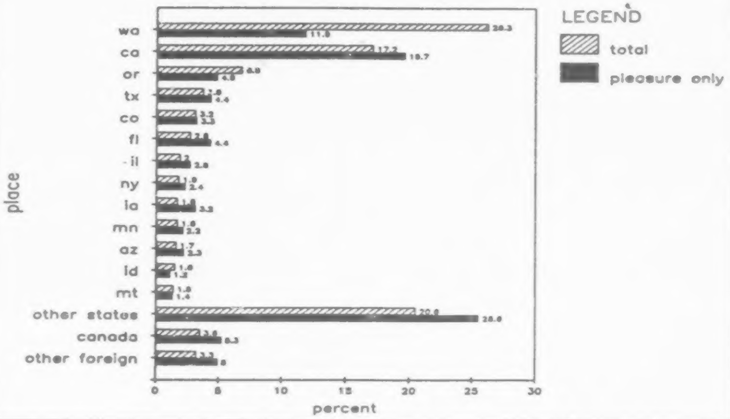
Other Characteristics

Visitors were asked to indicate all activities engaged in on their Alaska trip. Based upon these multiple responses, 36% of all visitors indicated that they spent some time visiting friends and relatives on their trip; 27% of all visitors had visited museums or attended performing arts during their stay.

May	June	July	August	September	Total
27,400	58,000	75,000	72,000	16,400	137,900
1,227	2,092	2,088	2,133	1,536	15,981
1,839	10,978	19,807	17,382	6,319	66,891
1,400	1,110	8,570	9,890	2,610	30,207
420	20,131	26,279	29,811	11,307	90,981
332	1,013	931	522	185	1,000
35,618	96,654	132,675	132,071	71,387	645,960

Note: Excludes crew on cruiseships, airlines, fishing boats and other commercial vessels; travelers on military transports and highway traffic from Hyder, Alaska, to Stewart, B.C. Includes nonAlaskans here for business, pleasure or some combination of the two.

Figure 4
Place of Residence of Visitor Parties to Alaska
1982-1983
Percent Distribution
Pleasure Only and Total



On the average, visitors spent $90 per person per night (includes transportation costs to and from Alaska) on their Alaska trip. After excluding 80% of transportation costs to and from Alaska and 70% of all money spent on prepaid tours (this money was assumed not to directly enter the state), approximately $51 per person per night remained in Alaska. Visitors gave Alaska high ratings in terms of the value received for money spent and overall experience.

Because the focus of the survey was statewide in nature, attitudes relating to specific areas of the state were not asked. Visitors were asked, in an open ended question, to write down two things that they most enjoyed seeing or doing on their Alaska trip. Visitors indicated sightseeing, visiting friends and viewing mountains and glaciers as the things they most enjoyed. About 1% of the visitors specifically mentioned Anchorage as one of the things they most enjoyed seeing! Given the other reasons that generally draw visitors to the state, that is a significant positive response.

More than 54% of all pleasure visitors and more than 37% of all visitors were age 55 and over. (See Figure 5.) Twenty five percent had an annual household income of $60,000 or more. In general, cruiseship visitors were the wealthiest and oldest visitors, with the primary purpose of those visitors' trip pleasure only. Domestic air visitors were much more likely to stay with friends or to be in Alaska for business or some business than visitors leaving Alaska by other modes of travel.

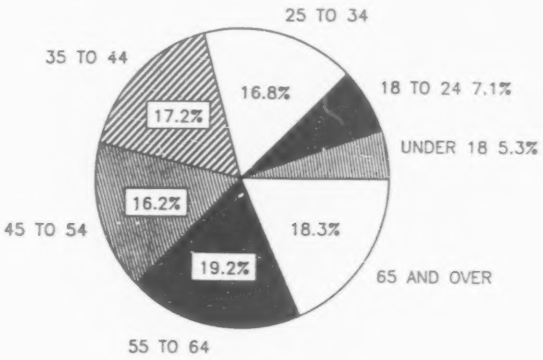


Figure 5
Age of All Visitors to Alaska
1982-1983

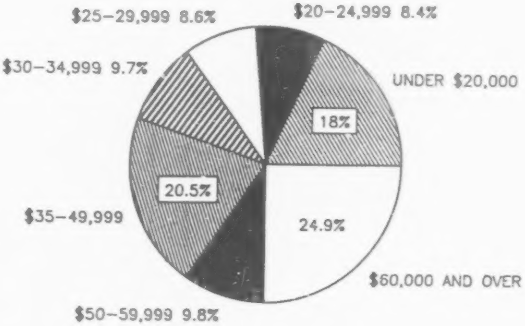


Figure 6
Total Household Income of Visitors to Alaska
1982-1983

Figure 7
Educational Attainment of Visitors to Alaska
1982-1983

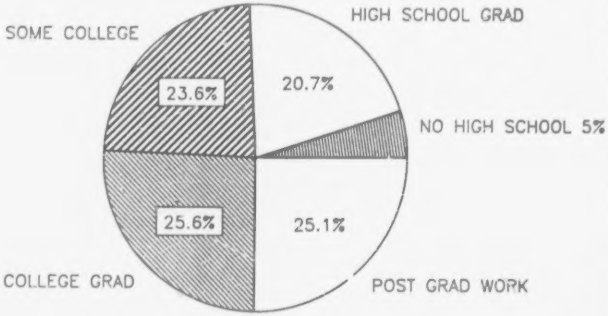
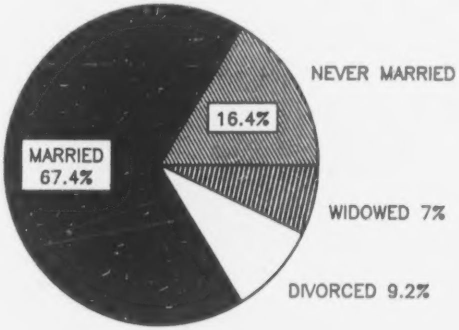


Figure 8
Marital Status of Visitors to Alaska
1982-1983



ALASKA

By Ed Eboch

Statewide nonagricultural employment increased in June as firms responded to the seasonal nature of Alaska's economy. Gains were experienced in construction, manufacturing, transportation, and trade employment. This was partially offset by a drop in state and local government employment as schools closed for the summer.

Construction employment remained strong in June, up 12% from May and only slightly below a year ago. The level of employment in construction may seem unusual given the expectation of a turnaround as evidenced by the drop in value of contracts let and building permits issued. Current employment levels reflect earlier contracts awarded and permits received. As construction projects now in progress are completed construction employment will begin to decline. In fact, construction activities may be weaker than appears in the employment numbers as hours worked is down significantly from last year (see Hours and Earnings Table).

Seafood processing is showing surprising strength as preliminary statistics indicate employment levels equal to or greater than last year. A big year to year drop in pulp mill employment explains most of the drops in lumber and paper products employment as logging and sawmills employment was approximately the same as last year.

1979-1983 Employment

Average annual nonagricultural employment in Alaska grew 27.9% from 1979 to 1983. This growth in employment corresponds closely with population growth during the same periods. As can be seen from Table I growth in construction employment registered by far the biggest percentage gain and was a leader in absolute employment gains with an increase of 10,196 jobs. Only trade employment increased more in absolute terms than construction and had the second largest gain in percentage terms. In 1983, only federal government employment and manufacturing employment were at approximately the same level as 1979. Weakness in timber prices and reduction in the shellfish harvests account for the drop in manufacturing employment.

Trade Employment

In 1983, trade was the biggest private sector employer and accounted for one out of five jobs of total state employment. Government was the only sector with greater employment than trade. A breakdown of trade related employment is presented in Table II.

Firms dealing in nondurable goods had the greatest growth in employment

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

				CHANGES FROM:	
	P	R			
	6/84	5/84	6/83	5/84	6/83
Nonag. Wage & Salary	227000	218500	224600	8500	2400
Mining	8100	8200	8400	-100	-300
Construction	21700	19300	22800	2400	-1100
Manufacturing	14300	11500	14400	2800	-100
Food & Kindred Prod.	8400	5900	8200	2500	200
Lumber & Paper Prod.	2800	2600	3100	200	-300
All Other Mfg.	3100	3000	3100	100	0
Trans. Comm. & Utilities	20200	18900	19800	1300	400
Trucking & Whseing.	2500	2300	2300	200	200
Water Transportation	1500	1400	1600	100	-100
Air Transportation	6300	5900	6400	400	-100
Other Trans. Comm. & Utilities	9900	9300	9500	600	400
Trade	45000	43300	43300	1700	1700
Wholesale	8800	8300	8200	500	600
Retail	36200	35000	35100	1200	1100
Gen. Merchandise & Apparel	5100	4900	4700	200	400
Food Stores	6000	6100	5700	-100	300
Eating & Drinking Places ...	12700	11800	12800	900	-100
Other Retail Trade	12400	12200	11900	200	500
Fin.-Insurance & R.E.	11400	11100	10900	300	500
Services & Misc..............	42000	39800	40900	2200	1100
Government	64300	66400	64100	-2100	200
Federal	18500	18300	18400	200	100
State	19000	19500	19300	-500	-300
Local	26800	28600	26400	-1800	400

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P Denotes premilinary estimates.

R Denotes revised estimates.

Table I
Alaska Nonagricultural Employment
1979-1983 Growth

	1979	1983[1]	Employment Gain	Percentage Change
Mining	5790	8276	2486	42.9
Construction	10063	20259	10196	101.3
Manufacturing	12695	12167	-528	-4.2
Trans. Comm. & Utilities	16640	18556	1916	11.5
Trade	29328	41951	12623	43.0
Fin.-Insurance & Real Estate	8413	10545	2132	25.3
Services & Misc.	29182	38902	9720	33.3
Government	54440	62304	7864	14.4
Federal	17538	17789	251	1.4
State	15021	18822	3801	25.3
Local	21881	25693	3812	17.4
Total	166551	212959	46408	27.9

[1] July-December estimated.

during the period 1979-1983. (Nondurable goods are goods such as food, clothing, and petroleum that are serviceable for a comparatively short period of time. Durable goods are goods whose usefulness continues for a number of years.) This was true at both the retail and wholesale level. The exception was those firms that sold construction related goods such as building material, hardware, and home furnishing and equipment. These firms had the greatest employment growth of all the sub-areas of trade. This growth corresponds with the growth in construction, especially the residential construction boom of the past few years.

The growth in food stores and lack of growth in general merchandise stores is related. As Alaska's economy has grown we see the increased introduction of the multi-purpose grocery store. More and more the traditional grocery store is carrying merchandise that had been carried by the small variety stores or general merchandise stores such as hardware and homeware items. Combined employment growth of the two categories grew only slightly faster than population and less than overall growth in trade.

The other areas of rapid growth in trade employment—apparel stores, eating and drinking places, and auto dealers—reflects a changing life style in Alaska. An increase in two family incomes has encouraged eating out as is true in the U.S. in general. Better accessability of recreation areas and greater tourism, both intrastate and interstate, has also contributed to growth in these areas.

Table II
Alaska Annual Average Employment
Trade Industries

Trade	1979	1983[1]	Percent Change
Total Trade	29327	41951	43.0
Wholesale Trade	5195	7957	44.8
Machinery, Equipment and Supplies	1581	2143	35.5
Other Durable Goods	1837	2571	40.0
Grocery and Related Goods	1020	1575	54.4
Other Nondurable Goods	1056	1668	57.8
Retail Trade	23832	33994	42.6
General Merchandise	3078	3235	5.1
Apparel Stores	1058	1564	47.8
Food Stores	3537	5568	57.4
Eating and Drinking Places	8214	11930	45.2
Gas Stations	955	1205	26.2
Auto Dealers	1522	2288	50.3
Building Material, Hardware, and Garden Supplies	1022	1828	78.9
Furniture, Home Furnishings and and Equip.	700	1301	85.9
Miscellaneous Retail Stores	3746	5075	35.5

[1] July-December estimated.

LABOR FORCE BY REGION AND CENSUS DIVISION

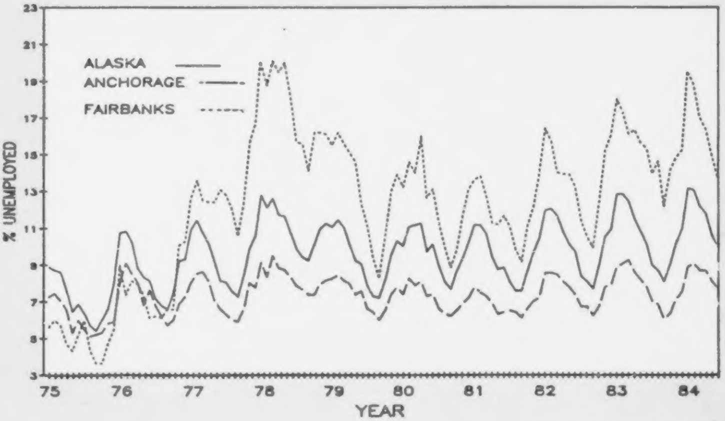
	Labor Force			Unemployment			Rate			Employment		
	P 6/84	R 5/84	6/83	P 6/84	R 5/84	6/83	P 6/84	R 5/84	6/83	P 6/84	R 5/84	6/83
Alaska Statewide	250000	242512	241123	24694	25629	24270	9.9	10.6	10.1	225306	216883	216853
Anchorage-MatSu Region	128713	125678	121751	10362	10779	10064	8.1	8.6	8.3	118351	114899	111687
Anchorage	116155	113289	109745	8772	9038	8408	7.6	8.0	7.7	107383	104251	101337
Matanuska-Susitna	12558	12389	12006	1590	1741	1656	12.7	14.1	13.8	10968	10648	10350
Gulf Coast Region	28592	26493	26741	3311	3515	3174	11.6	13.3	11.9	25281	22978	23567
Cordova	1445	1369	1358	92	139	96	6.4	10.2	7.1	1353	1230	1262
Kenai	15031	13835	13951	2150	2127	1943	14.3	15.4	13.9	12881	11708	12008
Kodiak	6200	5776	5957	427	529	576	6.9	9.2	9.7	5773	5247	5381
Seward	2085	1939	1915	282	300	234	13.5	15.5	12.2	1803	1639	1681
Valdez	3831	3574	3560	360	420	325	9.4	11.8	9.1	3471	3154	3235
Interior Region	33556	33054	33191	4472	4875	5019	13.3	14.7	15.1	29084	28179	28172
Fairbanks	27457	27011	27130	3751	4043	4168	13.7	15.0	15.4	23706	22968	22962
Southeast Fairbanks	2645	2606	2617	267	302	314	10.1	11.6	12.0	2378	2304	2303
Upper Yukon	853	812	865	144	125	178	16.9	15.4	20.6	709	687	687
Yukon-Koyukuk	2601	2625	2579	310	405	359	11.9	15.4	13.9	2291	2220	2220
Northern Region	11534	11144	13927	1311	1018	1191	11.4	9.1	8.6	10223	10126	12736
Barrow-North Slope	2966	2907	3670	208	176	235	7.0	6.1	6.4	2758	2731	3435
Kobuk	3689	3524	4406	516	382	454	14.0	10.8	10.3	3173	3142	3952
Nome	4879	4713	5851	587	460	502	12.0	9.8	8.6	4292	4253	5349
Southeast Region	34543	33412	32873	3936	3953	3601	11.4	11.8	11.0	30607	29459	29272
Angoon	507	460	464	102	70	77	20.1	15.2	16.6	405	390	387
Haines	1172	1119	1162	139	125	174	11.9	11.2	15.0	1033	994	988
Ketchikan	7354	7126	6921	916	929	763	12.5	13.0	11.0	6438	6197	6158
Outer Ketchikan	913	886	876	155	156	151	17.0	17.6	17.2	758	730	725
Prince of Wales	1639	1602	1621	223	239	267	13.6	14.9	16.5	1416	1363	1354
Sitka	4898	4856	4690	409	536	397	8.4	11.0	8.5	4489	4320	4293
Skagway	1668	1637	1587	171	196	155	10.3	12.0	9.8	1497	1441	1432
Wrangell-Petersburg	4044	4023	3805	584	693	496	14.4	17.2	13.0	3460	3330	3309
Southwest Region	13062	12731	12640	1302	1489	1221	10.0	11.7	9.7	11760	11242	11419
Aleutian Islands	3357	3231	3279	159	174	174	4.7	5.4	5.3	3198	3057	3105
Bethel	4331	4156	4144	590	580	511	13.6	14.0	12.3	3741	3576	3633
Bristol Bay Borough	461	449	429	39	46	19	8.5	10.2	4.4	422	403	410
Bristol Bay	1707	1705	1633	128	195	99	7.5	11.4	6.1	1579	1510	1534
Kuskokwim	1182	1191	1136	162	216	146	13.7	18.1	12.9	1020	975	990
Wade Hampton	2024	1999	2019	224	278	272	11.1	13.9	13.5	1800	1721	1747

P =Preliminary   1983 Benchmark

R =Revised

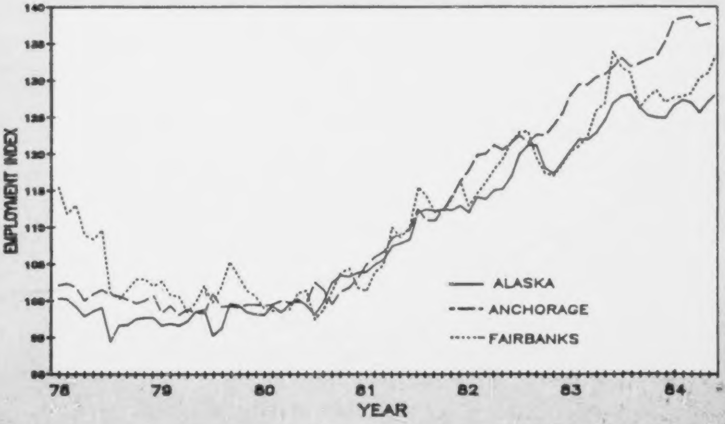
Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

UNEMPLOYMENT RATES NOT SEASONALLY ADJUSTED 1975 to Present



source: Ak. Dept. of Labor

Composite Nonag. Employment Indexes Seasonally Adjusted 1978 to Present



ANCHORAGE/MATSU

By Greg Huff

Anchorage/MatSu Service Employment Profile

The service sector accounts for 1 out of 5 nonagricultural wage and salary jobs in the Anchorage/MatSu region and is the third largest employer behind trade and government. As of June 1984 there were 25,150 jobs in a wide spectrum of service businesses ranging from lodging and health care to auto repair and legal services. More jobs have been created in the service sector over the past 3½ years than any other industry of the region's economy except for the wholesale and retail trade industries. The 42% growth rate from June 1980 to June 1984 represents some 7,400 additional jobs. Table I contains service employment by various subsectors for the Anchorage and MatSu areas for 1980-1983.

Because of Anchorage's large market size and location advantages, over 96% of the region's service employment is based in Anchorage as compared to 78% of the region's population. MatSu imports many services from the Anchorage area because the MatSu market size is not large enough to support many types of services. In addition, an estimated 35-40% of the MatSu residents in the Palmer and Wasilla areas commute to Anchorage for work. Many services are purchased by MatSu commuters while they are in the Anchorage area. However, over the last several years the rapid growth in MatSu's population (17,816 in 1980 and 29,849 in 1983) has induced many services to start or expand operations in the MatSu area.

Service employment in the valley grew 91% from 1980 to 1983 compared to Anchorage service employment growth of 35%. Although MatSu has experienced substantial growth in service employment over the past several years, the percentage share of service employment to total employment remains substantially below that of Anchorage (15% in MatSu compared to 21% in Anchorage for 1983). However, MatSu's service employment share has increased from 12% in 1980 while Anchorage share has remained stable since that time.

It is unlikely that MatSu's economy will, at least in the foreseeable future, acquire the diversity of services that Anchorage has obtained due to the relative market sizes.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
ANCHORAGE-MATSU

	P	R		CHANGES FROM:	
	6/84	5/84	6/83	5/84	6/83
Nonag. Wage & Salary	117150	114450	112600	2700	4550
Mining	3550	3500	3700	50	-150
Construction	11500	9950	11450	1550	50
Manufacturing	2950	2650	2950	300	0
Trans. Comm. & Utilities	10050	9550	9750	500	300
Trade	28950	28300	27050	650	1900
Fin.-Insurance & R.E.	7950	7800	7550	150	400
Services & Misc.	25150	24400	24100	750	1050
Government	27050	28300	26050	-1250	1000

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
ANCHORAGE

	P	R		CHANGES FROM:	
	6/84	5/84	6/83	5/84	6/83
Nonag. Wage & Salary	111650	109000	107100	2650	4550
Mining	3550	3500	3700	50	-150
Construction	10650	9300	10550	1350	100
Manufacturing	2850	2550	2850	300	0
Food & Kindred Prod.	750	500	850	250	-100
Other Mfg.	2100	2050	2000	50	100
Trans. Comm. & Utilities	9550	9050	9200	500	350
Trucking & Whseing.	1250	1200	1200	50	50
Water Transportation	350	350	350	0	0
Air Transportation	3950	3700	3900	250	50
Other Trans. Comm. & Utilities	4000	3800	3750	200	250
Trade	27600	27050	25800	550	1800
Wholesale	6350	6250	6000	100	350
Retail	21250	20800	19800	450	1450
Gen. Merchandise	1800	1700	1700	100	100
Food Stores	2800	2700	2600	100	200
Eating & Drinking Places	8050	8050	7650	0	400
Other Retail Trade	8600	8350	7850	250	750
Fin.-Insurance & R.E.	7650	7500	7300	150	350
Services & Misc.	24350	23650	23250	700	1100
Government	25450	26400	24450	-950	1000
Federal	10450	10250	10050	200	400
State	6300	6650	6350	-350	-50
Local	8700	9500	8050	-800	650

Services Employment
Anchorage Matsu
1980-1983

	Anchorage		MatSu	
	1980	1983	1980	1983
Hotel Motel	1616	2182	85	140
Personal Services	685	1079	13	31
Business Services	3312	1615	17	43
Auto Repair	558	902	6	29
Misc. Repair	251	352	*	9
Motion Pictures	*	*	*	*
Amusement	242	448	15	18
Health	3029	4053	115	218
Legal Services	945	1204	10	27
Educational	347	291	*	*
Social Services	1833	1915	59	99
Membership Clubs	1146	1686	47	68
Engineering & Accounting	1693	2656	*	*
Private Households	*	*	*	*
Total Services	15957	21587	415	794

* Nondisclosable

MatSu's smaller market size is reflected in the ratio of employees per firm. In MatSu, the service industry employed an average of 5 employees per firm compared to 9 employees per firm in Anchorage. Over the past several years the ratio has increased in MatSu and remained stable in Anchorage. Some of the fastest businesses services in the MatSu region have been auto and other repair and legal and accounting services while in Anchorage health care, amusement, accounting, and engineering services and auto repair have been among the fastest growing service sectors.

FAIRBANKS/INTERIOR

By Neal Fried

Fairbanks' Standing at Mid-Year

Fairbanks' 1984 mid-year employment numbers suggest a strong local economy. Employment in most of Fairbanks' industries are above year-ago levels and the remaining industries are holding steady. Given the strength of these mid-year indicators, it appears 1984 will be a good year for employment.

Five of the eight major industry categories that are reported for Fairbanks, contributed to the mid-year employment growth while three remained basically unchanged. Retail trade is the premier growth industry. This probably comes as no surprise to Fairbanks residents who have literally watched their landscape change overnight with new retail outlets. At least two large malls are being built in Fairbanks this summer while a number of other malls are being expanded and a host of smaller malls are being constructed. For the remaining support industries, the story is similar although not as dramatic. Finance, insurance and real estate is presently growing at a 5% pace while services has slowed to a 3% growth rate.

Now that we are in the midst of the construction season, it can be assessed as another strong year for construction as current employment estimates are up from year-ago levels. Commercial construction remains strong and residential construction has remained surprisingly resilient. The 213 unit expansion of the Wise complex has kept the housing permit numbers above 1983 levels. The construction of single family homes this year will likely remain below 1983 levels, but permits for multi-family units have surpassed year ago levels. The expansion of the Mapco Refinery along with state and local projects are keeping construction employment respectable. Government employment has increased by 3% with all the growth at the local and federal levels. State government employment has remained flat during this period.

The spending of the State's oil revenues and their secondary effects remains the source of employment growth. The extent to which the support sector (trade, services, finance, insurance and real estate) has expanded as a result of these record state expenditures was completely unexpected. No one had predicted the degree of impact oil revenues would have on the support industries or the length of time they would affect the state's economy. Growth in the near term will continue until the demand for goods from the support industries has been satisfied. Expenditure of oil revenues will continue to be a major factor in longer term economic growth in Fairbanks and the Interior, but other factors, such as the stationing of additional troops at Fort Wainright, could affect the economic picture.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P 6/84	R 5/84	6/83	CHANGES FROM: 5/84	 6/83
Nonag. Wage & Salary	32700	31800	32500	900	200
Mining	500	450	500	50	0
Construction	3250	2750	3250	500	0
Manufacturing	650	600	650	50	0
Trans. Comm. & Utilities	3750	3600	3850	150	-100
Trade	6450	6200	6100	250	350
Fin.-Insurance & R.E.	1100	1100	1050	0	50
Services & Misc.	5750	5500	5600	250	150
Government	11250	11600	11500	-350	-250

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P 6/84	R 5/84	6/83	CHANGES FROM: 5/84	 6/83
Nonag. Wage & Salary	28900	27650	28800	1250	100
Mining	350	300	300	50	50
Construction	3150	2700	3150	450	0
Manufacturing	600	550	600	50	0
Trans. Comm. & Utilities	3000	2900	3100	100	-100
Trucking & Whseing.	550	500	500	50	50
Air Transportation	750	700	750	50	0
Other Trans. Comm. & Utilities	1700	1700	1850	0	-150
Trade	6050	5800	5700	250	350
Wholesale	900	900	900	0	0
Retail	5150	4900	4800	250	350
Gen. Merchandise & Apparel	450	400	100	50	50
Food Stores	850	800	800	50	50
Other Retail Trade	3850	3700	3600	150	250
Fin.-Insurance & R. E.	1050	1000	1000	50	50
Services & Misc.	5300	5100	5250	200	50
Government	9400	9300	9700	100	-300
Federal	2900	2700	2700	200	200
State	3650	3850	4250	-200	-600
Local	2850	2750	2750	100	100

GULF COAST

By Neal Fried

Kenai Peninsula Borough's Income Picture

The U.S. Department of Commerce has released 1982 per capita income figures of $15,289 and $13,394 for Seward and for Kenai-Cook Inlet, respectively. Is this high? Does it mean the Peninsula's residents are prosperous? How does it compare to the rest of the state and nation and, historically, has it kept up with the cost of living on the Peninsula?

Per capita income figures are calculated by dividing the total personal income of an area by the total population of the area. Personal income includes all sources of income received by the Borough residents including such items as wages, interest, rent, transfer payments, and retirement income. These figures must be used with caution because 1) they rely on population estimates which may be inaccurate, 2) a temporary economic event may briefly inflate or depress the figures, and/or 3) the population dynamics of an area may produce figures which are not necessarily representative of the economic health of an area's population. For example, if a community has a disproportionately large retired population, this could depress its income. As long as these figures are used cautiously they can reveal a great deal about a location's economic well being.

Over the past decade (1972-1982), Kenai-Cook Inlet's and Seward's income has more than tripled. People do not feel that much wealthier because inflation consumed a major share of these increases. In inflation adjusted dollars, per capita income increased by 40% and 55% for Kenai-Cook Inlet and Seward, respectively. (All other references will be to real income, income adjusted for inflation.)

The Peninsula's income grew steadily through the early 1970's. The rate of growth increased in 1974 with the expansion of the Union Chemical plant and the construction of the Trans-Alaska Pipeline. Though pipeline work did not take place within the Borough, a large number of its residents worked on the projects and brought their earnings home. Starting in 1977 in Seward and in 1978 in the remainder of the Borough real per capita income began to decline. This was a result of completion of the pipeline and Union Chemical Plant expansion and the overall slowing down of economic activity throughout much of the state. Real per capita income began to climb again in 1979 in Seward and in 1980 in Kenai-Cook Inlet. From 1980 to 1982 real per capita income in the Borough grew by more than 10%. This has come as a result of a burgeoning economy fueled by state expenditures.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P	R			
	6/84	5/84	6/83	5/84	6/83
Nonag. Wage & Salary	21300	19550	20500	1750	800
Mining	700	750	700	-50	0
Construction	2100	1950	2000	150	100
Manufacturing	3950	2550	3550	1400	400
Food & Kindred Prod.	3200	1850	2800	1350	400
All Other Mfg.	750	700	750	50	0
Trans. Comm. & Utilities	2400	2300	2450	100	-50
Trade	3550	3200	3400	350	150
Wholesale	600	450	600	150	0
Retail	2950	2750	2800	200	150
Fin.-Insurance & R.E.	500	500	500	0	0
Services & Misc.	3250	3150	3150	100	100
Government	4850	5150	4750	-300	100
Federal	550	500	550	50	0
State	1500	1550	1500	-50	0
Local	2800	3100	2700	-300	100

During the early 1970's, Kenai-Cook Inlet's per capita income was greater while Seward's was less than national per capita income figures. Per capita income for the Kenai Cook Inlet area began to pull ahead of the nation's per capita rate in 1973 and the gap between the U.S. and the Borough's census areas continued to grow. During the past decade (1972-1982), the nation's real per capita income grew a meager 7%, compared to Kenai-Cook Inlet's 40% and Seward's 55%.

In 1982 Seward and Kenai-Cook Inlet per capita incomes were 11% and 26% above the nation's. It is difficult to determine whether this difference is large enough to make up for the higher cost of living in the Kenai Peninsula Borough because of a lack of reliable data. However, the Borough's income has been growing far more rapidly than the nation's, which indicates a robust economy for the Peninsula, and an improved standard of living relative to the lower 48 states.

A comparison between the Kenai Peninsula Borough's and the State of Alaska's per capita income is not as dramatic. Both the State's and Borough's income figures have followed a similar trend over the year. Income for the Borough has been consistently below the state's per capita income figures. In 1982, Kenai-Cook Inlet's and Seward's real per capita income were 24% and 8% below the state's real per capita income. One reason why the Borough's per capita income may be significantly lower than the statewide average is because of a lower labor force participation.

(Out of 29 census divisions in the state, Kenai-Cook Inlet ranks 17th and Seward 10th.) This means there are fewer working age adults active in the labor force, and therefore, less income per capita. According to the U.S. Census Bureau, female participation in the Kenai Borough work force is a full 10 percentage points below the state's average. The Borough's real per capita income should continue to grow as the economic outlook for the area remains good.

Per Capita Income
Kenai-Cook Inlet, Seward, Alaska and U.S.
1970-1982

	Kenai-Cook Inlet	Seward	Alaska	U.S.
1970	$3706	$4299	$4726	$3945
1971	1077	4465	4989	4167
1972	4264	4406	5285	4515
1973	5138	5962	6104	5010
1974	6234	6505	7180	5448
1975	8487	7582	9554	5842
1976	9607	9279	10725	6367
1977	10352	9314	10967	6984
1978	9643	9149	10957	7775
1979	9600	10731	11344	8657
1980	10346	12044	12918	9483
1981	12311	13558	14819	10495
1982	13394	15289	16598	11100

Real Per Capita Income
Adjusted in 1970 Dollars
Kenai-Cook Inlet, Seward, Alaska and U.S.

	Kenai-Cook Inlet	Seward	Alaska	U.S.
1970	$3706	$4299	$4726	$3945
1971	3946	4322	4830	3994
1972	4021	4154	4984	4190
1973	4649	5396	5523	4377
1974	4870	5080	5861	4289
1975	6091	5447	6857	4214
1976	6399	6180	7143	4343
1977	6466	5859	6850	4475
1978	5622	5334	6387	4627
1979	5069	5666	5990	4631
1980	4955	5769	6187	4468
1981	5459	6006	6571	4480
1982	5622	6421	6967	4464

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment increased by 750 jobs in June to 30,550. The increase in jobs translated into 2.5% employment growth since the month of May. The June job count was 500 above the level recorded for June of 1983, which translated into 1.7% employment growth over the year. All sectors of the Southeastern Alaskan economy contributed to the growth with the exception of local government. The largest contributors to growth in June were retail trade, manufacturing, and the services sector.

Retail trade employment growth has been tremendous in Southeast during the past two years with Juneau leading the way. It is no surprise that the capital city's economy has blossomed after the capital move vote was resolved, but how much longer retail trade employment can continue to expand at the rate it has over the last two years is an interesting question. A recent survey published in the Juneau *Economic Quarterly* estimated that by the close of 1984 there will be 76% more retail space available in major malls than there was prior to the capital move vote in 1982. The results of these additions in the short run seem to indicate that competition among the local merchants for the Juneau consumer's dollar is getting keener than ever before. Less efficient operators, in particular in the food store area, have already begun to feel the effects of increased competition with staff layoffs occurring shortly after the opening of a major chain store. Whether or not the layoffs are the result of the Juneau consumers temporary fascination with the "new kid on the block" will only be determined in the long run. The implications for employment growth are that the upward movement being caused by new firms entering the market place may have a down side to it as less efficient operaters revamp their staffing policies to become more competitive.

Manufacturing employment in the region took an upward turn as seafood processing and the lumber and paper products sectors both increased employment over the month. These two industries are well behind last year's pace however. Lumber and paper was especially hurt by a temporary maintenance closing at one of the pulp mills. On the up side, however, the Wrangell sawmill is again operational and brings a much needed boost to Southeast manufacturing employment this month. Reports from the Alaska Department of Fish and Game put the early returns from the salmon season at average to below average in the Southeastern region which contributed to the over the year drop in food and kindred products employment.

Services employment was the other strong contributor to June growth in the region. Additional hotel and motel employment was one of the prime contributors to the upward movement in this industry. Hotel and motel

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P 6/84	R 5/84	6/83	CHANGES FROM: 5/84	6/83
Nonag. Wage & Salary	30550	29800	30050	750	500
Construction	2100	1950	2300	150	-200
Manufacturing	3700	3450	4100	250	-400
Food & Kindred Prod.	1250	1050	1400	200	-150
Lumber & Paper Prod.	2200	2150	2450	50	-250
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities	2250	2100	2350	150	-100
Trade	5200	4800	4850	400	350
Wholesale	500	450	500	50	0
Retail	4700	4350	4350	350	350
Fin.-Insurance & R.E.	1050	1050	1000	0	50
Mining, Services & Misc.	4600	4400	4550	200	50
Government	11650	12050	10900	-400	[illegible]
Federal	2300	2250	2350	50	-50
State	5650	5600	5600	50	50
Local	3700	4200	2950	-500	750

employment may have been even larger during this month but the fire at the Baranof Hotel in Juneau took nearly 200 rooms out of the marketplace for the entire month. Some of the slack was taken up in other establishments in the Juneau area but with the tourist season in full swing, rooms were already somewhat difficult to find.

Unemployment

With the continuing woes of the manufacturing industry, unemployment in Southeast continues to run ahead of last year's rate. Southeast held the dubious distinction of having the state's two highest local area unemployment rates; Angoon with 20.1% unemployed and Outer Ketchikan with 17.0% jobless. The only census division to escape double digit unemployment in the region was Sitka, which had 8.4% of its labor force unemployed. With construction, seafood processing and lumber and paper products all running behind last year's employment totals, it would be surprising to see any drastic improvement in the current year to year comparison.

HOURS AND EARNINGS

By Kathleen Thomas

Though hours and earnings for construction changed little from last month, average weekly hours decreased 10% from the same period a year ago. This figure reflects the construction employment situation which indicates a slight cooling of the construction boom of last year. Average weekly hours decreased 4.8 hours to a 40.6 hour workweek.

The lumber and paper products sector in manufacturing appears to be rebounding. With an increase in average weekly hours of 5.39% for the month and 3.21% for the year, average weekly hours increased in May to 45 hours. Wage concessions are in the offing for numerous lumber mills in the Northwest and appear to be affecting hourly wages in Alaska. The other sector of manufacturing, food and kindred products continued its between season decline in average weekly hours dropping 8% from April.

Activity for other industries in hours and earnings was mixed with no significant changes.

SEPTEMBER 1984 -10/9/84
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ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska

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1 The Military Role in Alaska's Economy

ALASKA ECONOMIC TRENDS

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Jim Robison, *Commissioner, Department of Labor*

Judy Knight, *Director, Administrative Services*
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Funded by:

September 1984
Volume 4
Issue 9

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

Cover photographs courtesy of the U.S. Coast Guard, the U.S. Air Force, and the U.S. Army.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

THE MILITARY ROLE IN ALASKA'S ECONOMY

By Neal Fried and Greg Huff

Along with fish, and oil, the military has been one of the main driving forces in the economic growth of the State of Alaska. Since World War II the military has filled an important niche in Alaska's economy. Military defense has been and remains one of the state's major "exports"-Alaska exports defense to the rest of the nation. Alaska has the highest concentration of military population in the nation. There is one uniformed military person for every 20 Alaskans while nationally the figure is one for every 168 people.

The military exerts its economic influence on the state in a number of ways. Military personnel spend part of their paychecks in the local economy, the military employs thousands of civilians, the military purchases goods and supplies in the local market, and the military employs local contractors for many of its projects. These funds flow into the economy directly and indirectly supporting thousands of other jobs. In this capacity the military is one of the single largest employers in the state.

In 1983, 22,261 military personnel were stationed in Alaska. The total military population, including civilian employees and dependents, added up to 67,763, 13% of the state's population. This uniformed military figure of 22,261 represents the smallest number of soldiers in the state since the late 1950's. This trend may be reversed in the near future as the Army is considering stationing a light infantry division in Alaska beginning in 1985. If Alaska is chosen, an additional 7,400 soldiers and 360 civilians will arrive. If dependents are included, the state's military related population would increase by approximately 20,000.

During the 1940's and 1950's, the military was a major impetus behind Alaska's economic growth. The uniformed military population peaked at 60,000 in 1945 and then began to drop off through the early 1950's. By the mid-1950's, the number began to climb again with the onset of the Cold War. During the Cold War years the military was making major expansions and additions to their facilities in Alaska, and many contractors and businesses depended on the military for their survival. In 1955, the uniformed military represented 23% of Alaska's population; if dependents and civilians were included it was closer to 40%. During this period of Alaska's economic history it was once estimated that the federal government was responsible for 80% of Alaska's basic employment with military providing the largest share. /1

The easing of tensions in the 1960's brought troop levels down to 30-32,000. During the 1960's and even more so in the 1970's Alaska's dependency on the military began to wane. The military presence was declining and more importantly Alaska's economy was beginning to diversify, particularly because of the discovery and resulting development of oil at Prudhoe Bay. In 1975, the uniformed military population was 7% of the state's population and total payroll was a mere 11%.

The military's payroll in relation to the total economy's payroll continued to decline despite the fact that in inflation adjusted dollars the military payroll has made gains since 1970. The influence of Alaska's oil funded state government versus the military illustrates the declining importance of the military. A decade ago the military's expenditures in Alaska were $601 million compared to state expenditures of $538 million. In 1983 the state's expenditures, buoyed by giant oil revenues, were almost 3 times as large as the military's despite growing military expenditures.

Though the military's relative importance has declined in Alaska during the past 2 decades it remains one of the larger employers in the state. It provides steady year-round employment to thousands of Alaskans, both directly and indirectly. In 1983, the total U.S. military expenditures budgeted for Alaska reached $1.4 billion with 75% of this total estimated to have been spent in Alaska. /2

Defense construction expenditures in Alaska in 1983 totaled 141.2 million dollars. The proportion of construction expenditures that enters the Alaska income stream varies widely with the type of construction, but it is estimated that approximately 50% of the total construction budget is spent in Alaska. When construction projects are undertaken by Alaskan contractors and labor, construction spending contributes directly to the local economy and to the creation of jobs. Most building material and equipment purchases are made out of state, thus their contribution to the creation of new jobs is far less. Since the early 1960's construction expenditures have been increasing. Construction expenditures as measured by inflation free dollars has nearly doubled over the past 20 years.

The operations and maintenance budget for the military in Alaska amounted to $380 million in 1983. The budget included supplies and equipment, travel, rent, utilities, communications and various other expenses such as laundry and contract technical services. The purchases of services by the military generally has a greater impact on a local economy than does the purchase of goods because services are more often locally owned, while goods are usually produced and purchased outside of Alaska. Of the total operations and maintenance budget, $274 million or 72% is estimated to be spent locally. In real dollars the Alaska military operations and maintenance budgets in Alaska has remained fairly stable through the 1960's but in the 1980's the budgets increased substantially. For example, the 1979 operations and maintenance budget was $218.6 million but had increased to $303.1 million. in 1980.

The military and civil service payroll totaled $675.9 million in 1983. The remaining $219 million of the total military budget falls in the other category and includes retirement benefits and exchange commission purchases (on base contracts for purchase of goods and services). Even after these expenditure figures are adjusted for inflation, the dollars spent have increased over the decade while manpower numbers have fallen.

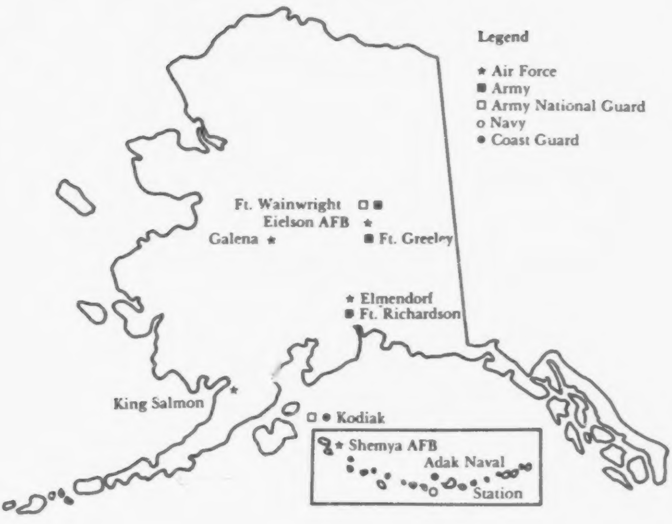
It is difficult to estimate how much of the total expenditures reach the local economy given the nature of military operations. Military installations are self-sufficient communities partially insulated from the local economy. Most of the soldiers and their dependents live in base housing. (It has been estimated that 15% of the uniformed military live off base.)/3 The thousands of civilians working on base are not usually afforded these benefits and are part of the local economy. Thus, they have a greater economic impact than the uniformed military. Many of the goods and services which the uniformed military receive are either provided or can be purchased on the military installations. The military Postal Exchanges (PX's) and commissaries are retail outlets where military personnel can purchase groceries and merchandise at discounted prices. Medical care, child care, and a variety of other services are provided by the military.

The average annual earnings of the uniformed military is below the statewide average. In 1982 the uniformed military's average annual earnings were 48% below average statewide annual earnings. The federal civilian earnings were closer to the statewide average, measuring 14% below the statewide average. Given the self-sufficient nature of the military and the lower wages the personnel receive, the direct impact on employment and income is less per direct employee than that of other basic sectors in the economy such as oil, state government, and manufacturing.

A multiplier of 1.8 has been calculated to estimate the secondary effects of the military's total expenditures./4 In other words, the military's total expenditures of $1.4 billion in 1983 amounted to $2.5 billion when the multiplier effect of this expenditure is considered. Employment multipliers for the military have been calculated over the years to range from 1.2 to 2.5. If a conservative approach is used, it is estimated that an additional 13,000-15,000 jobs are created throughout Alaska's economy, outside of direct military employment.

The military is playing a stabilizing role in Alaska's economy, helping to offset the seasonality found in many of state's industries. It provides a core of stability to many local economies during periods of extreme economic fluctuation. Though its role has diminished in Alaska's economy, it remains one of the state's most important basic industries. This diminishing role may soon be reversed if Alaska is chosen as the stationing point for the light infantry division now under development.

Military Installations in Alaska


Legend
★ Air Force
■ Army
□ Army National Guard
○ Navy
● Coast Guard
Ft. Wainwright □ ■
Eielson AFB ★
Galena ★
■ Ft. Greeley
★ Elmendorf
■ Ft. Richardson
King Salmon ★
□ ● Kodiak
★ Shemya AFB
Adak Naval Station

Regional

The impacts of the military are not evenly distributed across the state. Some areas have high concentrations of military population while others have little or none. Of the over 50 separate military locations statewide, 10 major defense installations in 6 locations account for 97% of active duty (uniformed) military population. A similar percentage of civilian employees of the Department of Defense, NAF/EXCHANGE personnel and military dependents are located at these 6 locations (See Map).

Two of the largest installations are in Anchorage. Fort Richardson and Elmendorf Air Force Base had 10,527 active duty personnel in 1983 (47% of the total statewide active duty population). In total, Anchorage has 54% of the statewide military associated population, including military civilian employees and dependents.

The Fairbanks area contains the next largest concentration of military population with 29% of the statewide defense related population and 25% of Alaska's uniformed military population. Fort Wainwright and Eielson AFB had an active duty population of 5,841 in 1983. Fort Greely, south of

Military Population for Regions and Selected Census Areas of Alaska
1983

	Uniformed* Military	Civilian Employees** and Dependents
Southcentral	11,784	27,225
Anchorage Borough	10,527	25,931
Kodiak	1,095	N/A
Other Southcentral	162	N/A
Fairbanks	6,656	12,892
Fairbanks North Star Borough	5,841	N/A
S.E. Fairbanks	815	N/A
Southwest	2,538	2,917
Aleutian Islands	2,194	N/A
Bristol Bay	311	N/A
Other Southwest	33	N/A
Interior	473	175
Northwest	51	380
North Slope	13	7
Southeast	746	1,906
Total	22,261	45,502

* Source: Research & Analysis Demographics Section.

** Source: DES/Comptrollers Alaska Air Command.

1/ Impact of Military Spending on the Economy of Alaska, Alaska Air Command, Elmendorf Airforce Base, 1983.

2/ Impact of Military Spending on the Economy of Alaska, Alaska Air Command, Elmendorf Airforce Base, 1983.

3/ Kruze, Jack; Design and Implementation of Alaska 1980 Reapportionment Data Election Effort; University of Alaska, Institute of Social and Economic Research (draft), 1981.

4/ Goldsmith, Scott; Federal Revenues and Spending in Alaska; University of Alaska, Institute of Social and Economic Research, 1981.

Fairbanks and adjacent to Delta Junction, had 714 troops in 1983. In 1983 the Fairbanks bases had 1.6 dependents to every active duty and civilian personnel compared to 1.3 in Anchorage. Together the bases in Anchorage and Fairbanks account for over ¾ of the total statewide military associated population.

The Aleutian Islands uniformed military population accounted for 10% (2,194) of the total statewide military population in 1983. The two primary bases are Shemya Air Force Base and ADAK Naval Station. Other Southwest installations, the largest at King Salmon, brought the Southwest region total active duty population to 2,538 in 1983. Other Southwest military related popluation in 1983 included 1,825 dependents and

ALASKA
HOURS AND EARNINGS FOR SELECTED INDUSTRIES 1/ 2/

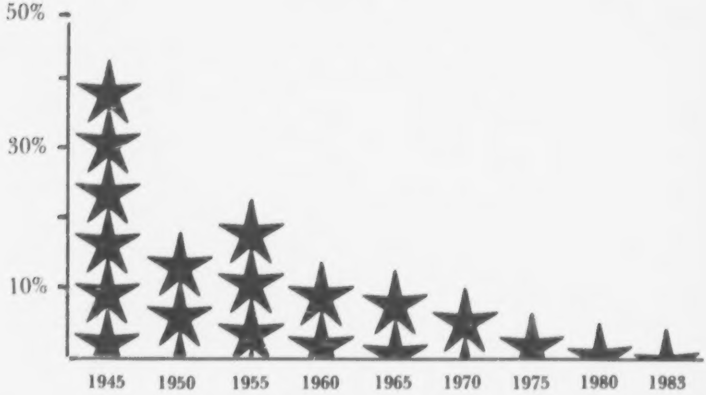
	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 5/84	r/ 4/84	5/83	p/ 5/84	r/ 4/84	5/83	p/ 5/84	r/ 4/84	5/83
Mining	$24.15	$23.45	$23.63	48.4	49.7	48.7	$1168.86	$1165.47	$1150.78
Contract Construction	24.58	24.72	23.59	40.6	41.2	45.4	997.95	1018.46	1070.99
Manufacturing	13.46	13.78	12.88	33.6	35.3	36.6	452.26	486.43	471.41
Food & Kindred Products	8.62	8.44	7.93	25.8	28.1	31.5	222.40-	237.16	249.80
Lumber & Paper Products	16.52	16.61	16.22	45.0	42.7	43.6	743.40	709.25	707.19
Trans. Comm. & Utilities	15.25	15.55	15.68	38.2	37.3	37.4	582.55	580.02	586.43
Trade	10.58	10.58	10.07	35.2	35.2	34.8	372.42	372.42	350.44
Wholesale	12.26	12.25	11.59	37.1	38.5	38.0	454.85	471.63	440.42
Retail Trade	9.92	9.86	9.41	34.6	34.0	33.6	343.23	335.24	316.18
Fin.-Insurance & R.E.	—	—	—	—	—	—	371.91	370.03	361.31

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

Percent of Military of Total Population
1945-1983



	1945	1950	1955	1960	1965	1970	1975	1980	1983
# of Uniformed Personnel (In Thousands)	60	26	50	33	33	30	24	23	22

approximately 1,000 civilian employees. The Southwest region has a low proportion of dependents to active duty and civilian personnel, but has a high ratio of civilian Department of Defense employees to uniformed personnel.

The Coast Guard station at Kodiak is the largest U.S. Coast Guard installation in the State. The base makes Kodiak the area with the fourth highest concentration of military population in the State. In 1983, the active duty population at Kodiak Island was 1,095, 5% of the statewide total. Dependents of military personnel totaled approximately 1,200.

The Interior region of the state contains the last of Alaska's 10 major military installations. The air base squadron at Galena represents the majority of the 1983 Interior region military population. Active duty personnel at Galena totaled 473 in 1983. Other areas with any significant amount of military associated populations are Juneau, Sitka and Ketchikan. The Coast Guard stations in these areas account for most of the 614 active duty personnel in the Southeast region.

Since 1955 the military population in Alaska has been declining, except for a slight upsurge during the Vietnam War. However, various trends existed regionally. Military populations at installations across the state peaked and fell at different times and some regions have experienced reversals in the declining trends. In Anchorage the military population declined from the mid-1950's into the 1960's. The Vietnam war induced manpower increases beginning in 1965 and peaked in 1968 at 15,209. Manpower levels have steadily declined since then and by 1983 the active military population was 28% less than in 1968.

Fort Wainwright and Eielson AFB active duty population declined from 9,880 in 1960 to 5,011 in 1976. Since then, the active duty rolls have averaged 5,480. In 1983, the troop levels reached the highest point since 1967. Fort Greely has maintained a fairly stable active duty population ranging from 680 to 850. Kodiak's active duty population peaked in 1965 at 2,287 and bottomed out at the 680 level in 1972 through 1974 when the Navy pulled out of Kodiak Island Station. Buoyed by the Coast Guard, Kodiak's active duty population has grown 26% to 1,095 by 1983. The Aleutian Islands largest troop population since WWII was in 1967 at 3,758. After 1967, the military population fell rather dramatically. By 1978, the number of troops had fallen 40% below 1967 levels. Since then, the military population has stabilized around the 2,100 to 2,200 levels. The active duty ranks in the Yukon-Koyukuk area of the state, which contains Galena AFB, peaked in 1974 at 1,063. The population stayed fairly stable for several years, but fell dramatically in 1979 to 592 and has fluctuated around that level since.

Military associated population in Alaska accounted for 13%, with active duty personnel representing 4.4% of the total statewide population. The areas with the highest proportions of military relative to population are the Aleutian Islands and Bristol Bay Borough. Active duty personnel in these areas comprise 25% of their total population and when combined with civilian employees and dependents, the military represents 55% of the area's total population. The share of total population the military represents has been declining since 1970 when 45% of Aleutian Island population was uniformed military personnel (in 1960 the percentage was 40%). In 1970, the population of Bristol Bay Borough was 38% active duty military personnel.

The area with the next highest proportion of military population to total population is the Fairbanks North Star Borough. In 1983, the active duty population at Fort Wainwright and Eielson AFB represented 9% of the Borough's total population. Combined with civilian employees and dependents total military related employment accounted for 13% of the area's total employment. The proportion of active duty military has been declining since 1950 when it was 23% of total population. In 1970 and 1980 it was 17.8% and 10%, respectively, of total population. The Southeast Fairbanks area (Fort Greely) has a uniformed military population of 13% of the areas population (no dependents data available) which has fallen from 20% in 1970. The Fairbanks area, in recent years, has gained in its share of statewide uniformed military population. In 1980, the bases in the Fairbanks area (including Fort Greely) accounted for 28% of the active duty population statewide and in 1983 rose to 26% but still less than the 31% in 1960.

The active duty population accounted for 4.5% of Anchorage's population in 1983. When civilian employees and dependents are considered, the total military population stationed on Anchorage bases comprises 15.8% of Anchorage's population. The percentage the active duty personnel represent in Anchorage's population has dropped from 17% to 11% and to 6.4% in 1960, 1970, and 1980, respectively.

Impacts of military installations on a regional or local economy vary considerably. Those installations with large numbers of civilian employees deliver greater benefits than do other installations because civilians spend much more of their income in the local eoncomy than do uniformed personnel. Positive benefits to a local economy are greater in the urban areas of the state than in the rural areas because the self-sufficiency of the remote bases are greater and are therefore more insulated from the local economy. The communities that appear to benefit the greatest from the military presence in Alaska are Fairbanks, Kodiak, and Anchorage.

ALASKA

By Ed Eboch

Nonagricultural wage and salary employment made seasonal gains in July as the fishing season began in earnest and tourism continued to contribute to summer employment growth. While construction employment was up from last month the year to year drop in employment and declines in average weekly hours suggest some weakness developing in the construction industry (see Hours and Earnings). Weakness in employment continued in the forest products industry and government employment dropped as schools closed for the summer. The unemployment rate dropped to 9.1% but was slightly above July 1983 even though there was year to year growth in employment.

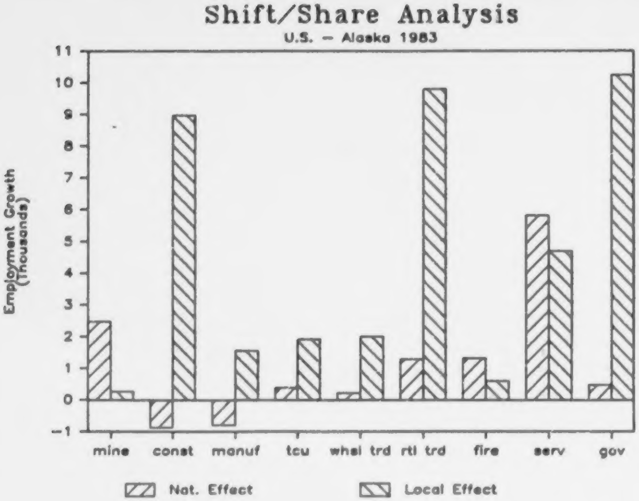
Shift/Share Analysis

A technique used to analyze the economic base of a region and to identify reasons for growth or industries for potential growth, is called shift/share analysis. The following is a brief discussion of shift/share analysis with a comparison of Alaska's percentage of employment by industry compared to the U.S. nationwide percentage of employment by industry. By comparing what has happened nationwide with what has happened in Alaska from 1978 to 1983 we can draw some conclusions about Alaska's economy and industries that offer potential for growth.

Three factors are posited as the reasons for growth in a subregion of a country's economy. The first factor is the amount of growth in a smaller region, such as Alaska, that would be due to growth nationwide. If the U.S. as a whole is growing one would expect that growth to have a positive impact on Alaska's economic growth. Therefore as employment nationwide grows Alaska's employment would grow.

A second factor or component that explains the reasons for growth is called industrial mix. This indicates the portion of change that is attributable to the change in the industry being analyzed. Some industries expand or contract more rapidly than other industries or the nation as a whole. The industry mix indicates whether that industry was a fast growth or slow growth industry nationally when compared to overall growth in employment in the U.S. economy. Thus the second factor to explain employment growth is the change in an industry's employment in the region attributable to overall growth or decline of that industry nationally.

The third factor that causes the economy to grow is the regional or local economic conditions. It describes the extent to which factors unique to the local area have caused growth or decline in employment in an industry. The local component aids in identifying a region's economic strengths. Employment in an industry that is proportionally greater in an area than



that experienced nationwide suggests that there are certain features locally that favor that industry. The following table and graph is a shift/share comparison of Alaska's economy relative to the United States. From the information provided it is possible to identify where Alaska has outperformed the United States as a whole and where there may be potential for further growth.

Growth in Alaska employment is broken down into growth due to national growth, growth due to changes in national industry mix, and growth due to local factors (See Table). The first two factors, growth due to national growth and change in industry mix, is the growth we would have expected if Alaska employment by industry had grown at the same rates as the U.S. Because Alaska's economy grew much more rapidly than the U.S. economy, there is strong positive growth in employment due to local factors in all major industry categories in Alaska.

By examining the vertical distribution, or percent of total employment, of each industry we get a measure of how important each industry is to Alaska's economy. The coefficient of specialization is a measure of the industry's employment relative to the U.S. If the coefficient of specialization is greater than one then that industry has a greater proportion of employees than is typical nationwide.

In mining, for example, employment grew at a 20% rate from 1978 to 1983 nationwide while Alaska mining employment grew at a 50% rate. By looking at vertical distribution we see that mining employment in Alaska

Shift/Share Analysis

	U.S.* Emp. 1979	U.S.* Emp. 1983	% Change	Alaska Emp. 1978	Alaska Emp. 1983	% Change
Mining	851.0	1021.0	19.98	5517	8276	50.01
Construction	4228.8	3947.7	6.65	12147	20259	66.78
Manufacturing	20505.4	18678.0	8.91	11398	12167	6.75
Trans. Comm. & Utilities	4922.8	4941.2	0.37	16240	18555	14.25
Wholesale Trade	4969.0	5232.0	5.29	5718	7955	39.12
Retail Trade	4572.5	15280.6	4.86	22892	33995	48.50
Fin.-Insurance & R.E.	4724.3	5454.0	15.45	8617	10546	22.39
Services	6252.0	19680.0	21.09	28387	38903	37.05
Government	15672.0	15744.0	0.46	51576	62304	20.80
State	3473.5	3636.0	4.68	14376	18822	30.93
Local	9445.5	9356.0	0.95	19083	25693	34.64
Total Nonag. Employment	86697.8	89978.5	3.78	162492	212960	31.06

* Thousands

	Growth Due to Total National Growth	Due to Change in Natl. Industry Mix	Growth Due to Local Factors	1983 U.S. Vertical Dist.	1983 Alaska Vertical Dist.	Coef. of Spec.
Mining	209	893	1657	0.0113	0.0389	3.4248
Construction	460	-1267	8919	0.0439	0.0951	2.1683
Manufacturing	431	-1447	1785	0.2076	0.0571	0.2752
Trans. Comm. & Utilities	651	-554	2254	0.0549	0.0871	1.5866
Wholesale Trade	216	86	1934	0.0581	0.0374	0.6424
Retail Trade	866	246	9991	0.1698	0.1596	0.9400
Fin.-Insurance & R.E.	326	1005	598	0.0606	0.0495	0.8170
Services	1074	4913	458	0.2187	0.1827	0.8352
Government	1952	-1715	10491	0.1750	0.2926	1.6720
State	544	129	3773	0.0404	0.0884	2.1872
Local	722	-903	6791	0.1040	0.1206	1.1603
Total Nonag. Employment	6149	0	44319	1.0000	1.0000	

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is nearly 4% of total employment versus just over 1% for the U.S. The coefficient of specialization indicates Alaska's mining employment to be over three times that of the U.S. as a percent of total employment. Obviously, local factors are important in determining the growth in mining employment in Alaska.

Local factors are very important in determining to what extent a basic industry, such as mining, results in greater or lesser employment as a percentage of total employment than found nationwide. However, in the support industries one would expect to find employment as a percent of

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/		CHANGES FROM:	
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	234300	225700	233200	8600	1100
Mining	8100	8100	8700	0	-600
Construction	23600	21700	24900	1900	-1300
Manufacturing	20400	14500	21900	5900	-1500
Food & Kindred Prod.	14600	8400	15800	6200	-1200
Lumber & Paper Prod.	2600	3000	3000	-400	-400
All Other Mfg.	3200	3100	3100	100	100
Trans. Comm. & Utilities	20500	20000	20200	500	300
Trucking & Whseing.	2600	2500	2400	100	200
Water Transportation	1700	1500	1800	200	-100
Air Transportation	6500	6300	6500	200	0
Other Trans. Comm. & Utilities	9700	9700	9500	0	200
Trade	45800	45000	44200	800	1600
Wholesale	8900	8700	8400	200	500
Retail	36900	36300	35800	600	1100
General Merchandise & Apparel	5300	5100	5000	200	300
Food Stores	6100	6000	5800	100	300
Eating & Drinking Places ...	13000	12800	12800	200	200
Other Retail Trade	12500	12400	12200	100	300
Finance-Ins. & R. Estate	11500	11300	11100	200	400
Services & Misc.	42800	41600	41200	1200	1600
Government	61600	63500	61000	-1900	600
Federal	18600	18500	18400	100	200
State	18700	18900	18300	-200	400
Local	24300	26100	24300	-1800	0

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes premilinary estimates.

R/ Denotes revised estimates.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	R		P	R		P	R		P	R	
	7/84	6/84	7/83	7/84	6/84	7/83	7/84	6/84	7/83	7/84	6/84	7/83
Alaska Statewide	256070	249017	249544	23361	24682	22276	9.1	9.9	8.9	232709	224335	227268
Anchorage-Matsu Region	129960	128028	123787	9865	10356	9338	7.6	8.1	7.5	120095	117672	114449
Anchorage	117345	115534	111585	8379	8767	7742	7.1	7.6	6.9	108966	106767	103843
Matanuska-Susitna	12615	12494	12202	1486	1589	1596	11.8	12.7	13.1	11129	10905	10606
Gulf Coast Region	31997	28736	30789	3019	3311	2499	9.4	11.5	8.1	28978	25425	28290
Cordova	1633	1453	1588	82	92	74	5.0	6.3	4.7	1551	1361	1514
Kenai	16791	15105	16046	2026	2150	1632	12.1	14.2	10.2	14765	12955	14414
Kodiak	6974	6234	6696	357	428	236	5.1	6.9	3.5	6617	5806	6460
Seward	2286	2095	2230	220	282	213	9.6	13.5	9.6	2066	1813	2017
Valdez	4313	3849	4229	334	359	344	7.7	9.3	8.1	3979	3490	3885
Interior Region	34082	33246	33249	4629	4467	4501	13.6	13.4	13.5	29453	28779	28748
Fairbanks	27875	27204	27256	3868	3747	3824	13.9	13.8	14.0	24007	23457	23432
Southeast Fairbanks	2709	2619	2631	301	266	281	11.1	10.2	10.7	2408	2353	2350
Upper Yukon	881	846	829	163	144	128	18.5	17.0	15.4	718	702	701
Yukon-Koyukuk	2617	2577	2533	297	310	268	11.3	12.0	10.6	2320	2267	2265
Northern Region	11298	11502	12055	1054	1311	1116	9.3	11.4	9.3	10244	10191	10939
Barrow-North Slope	2934	2957	3181	171	208	230	5.8	7.0	7.2	2763	2749	2951
Kobuk	3643	3679	3837	464	516	442	12.7	14.0	11.5	3179	3163	3395
Nome	4721	4866	5037	419	587	444	8.9	12.1	8.8	4302	4279	4593
Southeast Region	34599	34374	35198	3811	3933	3414	11.0	11.4	9.7	30788	30441	31784
Angoon	498	505	499	90	102	78	18.1	20.2	15.6	408	403	421
Haines	1137	1166	1212	98	139	140	8.6	11.9	11.6	1039	1027	1072
Juneau	12413	12286	12640	1238	1235	1103	10.0	10.1	8.7	11175	11051	11537
Ketchikan	7717	7319	7435	1240	915	749	16.1	12.5	10.1	6477	6404	6686
Outer Ketchikan	882	909	892	119	155	104	13.5	17.1	11.7	763	754	788
Prince of Wales	1601	1631	1726	176	223	255	11.0	13.7	14.8	1425	1408	1471
Sitka	4838	4873	5069	323	409	408	6.7	8.4	8.0	4515	4464	4661
Skagway	1629	1660	1848	123	171	293	7.6	10.3	15.9	1506	1489	1555
Wrangell-Petersburg	3884	4025	3877	404	584	284	10.4	14.5	7.3	3480	3441	3593
Southwest Region	14134	13131	14466	983	1304	1408	7.0	9.9	9.7	13151	11827	13058
Aleutian Islands	3711	3376	3733	135	160	182	3.6	4.7	4.9	3576	3216	3551
Bethel	4622	4352	4771	438	590	617	9.5	13.6	12.9	4184	3762	4154
Bristol Bay Borough	489	463	501	17	39	32	3.5	8.4	6.4	472	424	469
Bristol Bay	1851	1716	1847	85	128	93	4.6	7.5	5.0	1766	1588	1754
Kuskokwim	1271	1188	1308	130	162	175	10.2	13.6	13.4	1141	1026	1133
Wade Hampton	2190	2036	2306	178	225	309	8.1	11.1	13.4	2012	1811	1997

P =Preliminary 1983 Benchmark

R =Revised

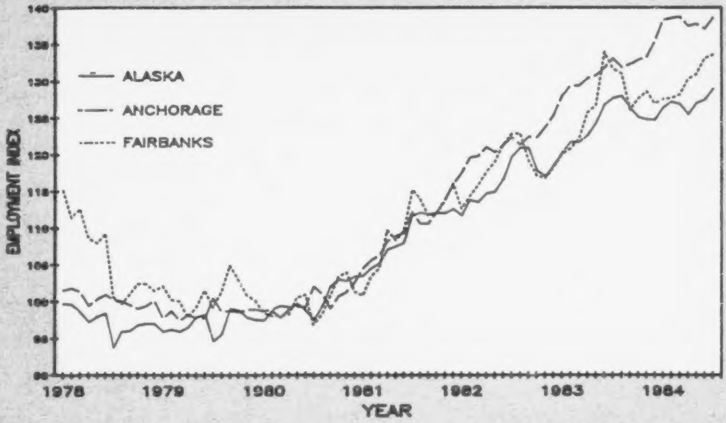
Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

total employment to be very close to the national average. It will differ slightly because of local conditions-i.e., closeness of areas that offer substitute sources of goods and services and the fact that different basic industries create more or less secondary and tertiary jobs. Regardless of these differences, Alaska appears to have ample room for growth in trade, finance, insurance and real estate, and in services.

One support industry in Alaska that has a greater proportional share of employment than nationwide is transportation, communication and utilities. Analyzing the industry in detail we see that water and air transportation employment is well above the nationwide percentages while trucking and warehousing employment is below the nationwide percentages. Given Alaska's unique geographic characteristics these results are not surprising and easily explained.

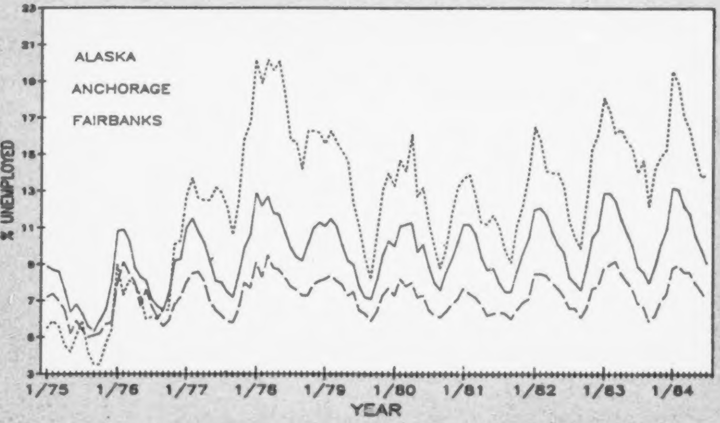
While the basic driving force of Alaska's economy-oil revenues-are unlikely to continue to grow and growth in mining and government employment are unlikely to be sustained in the future, there appears to be opportunities in the support sectors for additional employment. If Alaska's support industries gradually expand so that employment in these industries approach the national percent of total employment this growth could offset declines in areas such as construction. One word of caution in using shift/share analysis should be noted. It is just one tool in analyzing Alaska's economy. Other methodology is available to make such analyses and should be used with shift/share to assure the best results when analyzing or forecasting the state's economic future.

Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present



source: Ak. Dept. of Labor

UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present



source: Ak. Dept. of Labor

ANCHORAGE/MATSU

By Greg Huff

Anchorage July Employment Picture

In July, seasonally induced increases in employment are in full swing. Following the lead of the construction and seafood processing industries Anchorage nonagricultural wage and salary employment increased by 2,250 jobs over June's level and 4,350 jobs over the July 1983 level. Also in July a clearer pattern of the current year's employment trends has been established. Employment for the first seven months of 1984 was up an average of 5.9% over comparable 1983 employment levels. The average growth has been showing signs of weakness. The average employment growth has declined as the year has progressed. For example, employment levels were up 8.1% in January and 5.4% in May. Although there has been a general slide in employment growth in 1984 the year will end with average employment substantially above that of 1983 in Anchorage.

Employment in Anchorage's mining industry has bucked the overall positive employment trend and has fallen below year ago levels. This is due to declines in drilling and exploration activities. North Slope oil drilling activity was down from 9 rigs last year to 7 rigs this July. Mineral mining exploration remains in a slump as a result of the stagnant worldwide minerals market. Mining employment will likely remain slightly below last years levels for most of the remainder of the year. As the winter oil exploration season picks up the picture for mining employment should brighten. Generally, among the operating oil companies there is nearly a 1 to 1 ratio of Anchorage support employees to North Slope operating personnel. With continued exploration and development of marginal North Slope fields and continued recovery enhancement operations at existing fields Anchorage oil employment should get back on the growth track.

Gains in construction employment in July were below normal June to July increases, but edged out last year's levels by 200 jobs. This construction employment trend is a result of the slower residential market. Compared to last year, the dollar valuation of residential permits in 1984 is down from $433.5 million in 1983 to $242.4 million. The declines in the residential market are strongest in the multifamily or condo segment of the market with value of residential permits down $117.6 data for new and remodeled commercial projects points the other direction. As of July, new and remodel commercial permit valuations were up 26% and 133%, respectively. Road and other heavy construction activity are also above year ago levels contributing to the overall growth in construction employment.

The transportation, communications and utilities industrial group had

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P/	R/			
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	113500	111250	109150	2250	4350
Mining	3500	3550	3650	-50	-150
Construction	11400	10650	11200	750	200
Manufacturing	3650	2900	3500	750	150
Food & Kindred Prod.	1400	800	1400	600	0
Other Mfg.	2250	2100	2100	150	150
Trans. Comm. & Utilities	9650	9500	9200	150	450
Trucking & Whseing.	1300	1250	1250	50	50
Water Transportation	350	350	350	0	0
Air Transportation	4050	3950	3950	100	100
Other Trans. Comm. & Utilities	3950	3950	3650	0	300
Trade	27700	27750	26300	-50	1400
Wholesale	6500	6450	6050	50	450
Retail	21200	21300	20250	-100	950
General Merchandise	1800	1800	1800	0	0
Food Stores	2700	2800	2500	-100	200
Eating & Drinking Places	8100	8100	7850	0	250
Other Retail Trade	8600	8600	8100	0	500
Finance-Ins. & R. Estate	7900	7650	7300	250	600
Services & Misc.	24600	24050	23700	550	900
Government	25100	25200	24300	-100	800
Federal	10250	10250	10050	0	200
State	6050	6150	6100	-100	-50
Local	8800	8800	8150	0	650

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

				CHANGES FROM:	
	P/	R/			
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	119800	117200	114800	2600	5000
Mining	3600	3550	3750	50	-150
Construction	12300	11500	12200	800	100
Manufacturing	3750	3000	3600	750	150
Trans. Comm. & Utilities	10200	10050	9750	150	450
Trade	29000	29000	27550	0	1450
Finance-Ins. & R. Estate	8250	8000	7600	250	650
Services & Misc.	25550	24850	24700	700	850
Government	27150	27250	25650	-100	1500

employment increases of 150 over the month and 450 over the year. The bulk of the yearly increase was rooted in the communication and utility sectors which is playing catchup to the population boom of recent years. The telephone, gas, and electric utilities are all reporting substantial growth in their service areas.

Air transportation registered a monthly increase of 100 jobs in July in response to the peak tourist and fishing seasons. Employment levels in Juy also reflect over the year increases in the number of passengers and tons of freight flown in and out of the Anchorage International Airport. Airport statistics for July show an average increase of 4.5% in passenger load and 8.5% in frieght. Water transportation employment remained settled at year ago levels. Overall tonnage through the Port of Anchorage is up slightly, but general cargo tonnage is down. Stevedore employment is primarily influenced by general cargo levels.

Wholesale and retail trade employment in July dropped from June's levels because of declines in food store employment. However, trade contributed the largest single share of new jobs in Anchorage over the year and will likely continue this trend well into 1985. Services, the next largest single contributor of new jobs in the Anchorage area, registered employment gains of 3.8% in July compared to the previous July. The bulk of these jobs were in the health related sectors and business and social services such as accounting and childcare.

The finance, insurance, and real estate industrial group was the fastest growing sector in Anchorage during the past month. This sector has benefited from the rapidly growing economy of the past 4 years. The real estate sector, however, is now feeling the negative impacts of a slower residential home buying market.

Declines in state education employment in July forced total government employment down slightly from June's levels. The summer vacation also induced a drop in the local education workforce but other local government sectors had seasonal increases which offset the seasonal employment declines in the Anchorage school district. The large yearly increases in local government employment is in response to the rapidly growing population of Anchorage. State government employment over the year is down slightly because the amount of temporary help hired this year is less than last year. Modest growth is expected in state government for the year.

FAIRBANKS/INTERIOR

By Neal Fried

The Interior's economy, including Fairbanks, received a stimulus this year from state budget expenditures. Fairbanks secured approximately $112 million, and the remainder of the Interior received $83 million in capital project funds. This is a record for Fairbanks and was the second largest for the Interior since the massive capital budgets began in 1981. More than 93% of these funds are earmarked for construction. This will insure a strong public construction season in 1985 and 1986 for both areas.

The annual source of income, which began to flow from Juneau in 1980 with the famous Christmas tree bills, has quickly become a good portion of the area's economic lifeblood. These huge capital expenditures, along with loans, permanent fund dividends, and tax relief helped propel the Interior's economy into a growth mode and then helped to sustain the expansion. These expenditures have yet to have the effect of diversifying the basic industries of the economy, but have helped instead to expand the secondary sector of the economy such as trade, services, finance, insurance, and real estate and a portion of government.

The source of the funds has remained largely oil tax revenues. If these funds begin to decline, the economy will likely feel the negative effects as it felt the positive effects when expenditures began to grow in 1980. Few industries will be left unaffected by loss of these funds. As long as these revenues flow, however, the economy will likely continue to grow and be healthy.

Construction, will be the major beneficiary of these capital expenditures. These funds will affect construction for several years to come as many projects will take a number of seasons to complete. Planning and design of construction projects consume time, along with administrative, legal and other possible problems which may delay these projects.

These appropriations include a number of large multimillion dollar items. Altogether, there were more than 49 appropriations of over $1 million for Fairbanks and the Interior. These projects include $15 million for a Fairbanks Multipurpose Activity Center, $5 million for an Administrative Office Building at the University, $1.5 million for school improvements in Chalkyitisik, $14.1 million for the Alaska Highway, and $3 million for an alcohol treatment facility in Fairbanks. Some of the allocations are very small items such as $75,000 for a hockey tournament and $1,600 for Tok emergency medical equipment. There are literally hundreds of separate allocations. If a person desires to get a list of these projects, they can be found in 7 different capital projects bills available at any legislative information office.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

				CHANGES FROM:	
	P/	R/			
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	29400	28700	29050	700	350
Mining	350	350	350	0	0
Construction	3700	3150	3650	550	50
Manufacturing	600	600	650	0	-50
Trans. Comm. & Utilities	3000	3050	3100	-50	-100
Trucking & Whseing.	550	600	500	-50	50
Air Transportation	750	750	750	0	0
Other Trans. Comm. & Utilities	1700	1700	1850	0	-150
Trade	6050	5950	6100	100	-50
Wholesale	900	900	900	0	0
Retail	5150	5050	5200	100	-50
Gen. Merchandise & Apparel	450	450	450	0	0
Food Stores	850	850	850	0	0
Other Retail Trade	3850	3750	3900	100	-50
Finance-Ins. & R. Estate	1050	1050	1000	0	50
Services & Misc.	5800	5300	5650	500	150
Government	8850	9250	8550	-400	300
Federal	2800	2800	2650	0	150
State	3650	3650	3600	0	50
Local	2400	2800	2300	-400	100

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

				CHANGES FROM:	
	P/	R/			
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	33350	32550	32750	800	600
Mining	500	500	500	0	0
Construction	3800	3200	3750	600	50
Manufacturing	650	650	700	0	-50
Trans. Comm. & Utilities	3750	3750	3800	0	-50
Trade	6550	6400	6550	150	0
Finance-Ins. & R. Estate	1150	1100	1100	50	50
Services & Misc.	6200	5750	6000	450	200
Government	10750	11200	10350	-450	400

GULF COAST

By Neal Fried

The Gulf Coast economy continues to receive a boost from state revenues. In 1983 the region received approximately $91 million in capital budget items. The 1984 figure is approximately $124 million, smaller than either 1981 or 1982 unless the $50 million allocation for the Bradley Lake Hydro Project is included in the 1984 figure. If the hydro project is included, 1984 would be a record year for state appropriations for the region.

Since these huge budgets began in 1981, this revenue has become a dominant economic force in the region. Revenue to the region has not only been in the form of capital projects but also in loans, subsidies, dividend checks, and tax relief. After the completion of the oil pipeline in 1977 the region was basically in the economic doldrums until 1981 when income from the state began to boost the economies of the region. Since 1981, some of the region's economies have been hit hard by poor fish harvests but they have suffered far less than they would have had state revenues not been available. Two examples of this are Cordova and Kodiak where employment has remained stable despite huge losses in fishery employment.

Some of this income from state revenues has been used to diversify the region's economy and expand the existing economic infrastructure. An example of diversification is the Marine Industrial Center in Seward. The expansion of the port facilities is an example of supplementing existing infrastructures. It is too early to judge the success of these projects on the local economies.

This income flow has also helped boost the secondary sector of the economy in trade, services, construction, government, and finance, insurance and real estate. When expenditures from Juneau begin to decline these industries are also likely to suffer losses just as they grew when expenditures began to grow rapidly.

The industry which benefits the most from these capital expenditures is construction. There were more than 120 appropriations of which 26 projects were in excess of $1 million. These projects include $8 million for a hospital in Cordova, $14.5 million for the second phase of the Near Island Bridge in Kodiak, $10.5 million for the Copper Center Bypass on the Richardson Highway and $15 million for the Seward Correctional Center. These 1984 allocations will insure strong public construction seasons for at least the next 2 years.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

	P/	R/		CHANGES FROM:	
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	24600	21550	24200	3050	400
Mining	700	700	700	0	0
Construction	2500	2200	2350	300	150
Manufacturing	6650	3950	6750	2700	-100
Food & Kindred Prod.	6000	3200	6000	2800	0
All Other Mfg.	650	750	750	-100	-100
Trans. Comm. & Utilities	2500	2450	2500	50	0
Trade	3600	3550	3500	50	100
Wholesale	600	600	600	0	0
Retail	3000	2950	2900	50	100
Finance-Ins. & R. Estate	500	500	500	0	0
Services & Misc.	3500	3300	3400	200	100
Government	4650	4900	4500	-250	150
Federal	600	550	600	50	0
State	1550	1550	1450	0	100
Local	2500	2800	2450	-300	50

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment increased in July by 350 jobs to 30,900. The increase represented 1.1% growth in employment over the month. Last July employment in Southeast Alaska stood at 32,050, a 3.5% drop in employment from last year.

A myriad of factors have contributed to the over the year drop in employment, the largest being lower manufacturing and construction employment. In manufacturing, two factors contributed to the over the year drop, the closure of the Ketchikan pulp mill in June and over counting of seafood processing employment in the ES-202 in 1983. Although Research and Analysis has not yet published revised employment numbers for 1983, an overreporting of seafood processing employment in the Southeastern region has existed since the second quarter of 1980. While there appears to be a drop of 700 jobs in food and kindred products over the year, the 2,000 jobs reported for July in the region is actually very comparable to the corrected historical levels for Southeast Alaska food and kindred products employment. Food and kindred products employment in the region is expected to continue showing dramatic declines in comparison to year ago levels until the 1984 benchmarking takes place in January 1985. Should there be a change in the status of the year ago number prior to the benchmark it will be fully explained in *Alaska Economic Trends.*

Construction employment was up over the month in the region but down 10% from last year's record high. Heavy construction is down significantly from last year because of the finishing of two large hydroelectric projects. Residential construction in Juneau, a big factor in 1983's construction surge, is going fairly strongly but not at the breakneck pace of last year. Major office and retail complexes in the capital city have either been completed or are in the final stages of completion. While public construction projects are providing a significant amount of employment, the private sector overall has not been as active during this construction season as it was during last year.

Despite the decrease in activity compared to last year, both construction and food and kindred products increased their total employment during the month. All industries in the region experienced growth in employment during July with the exception of retail trade and government. Retail trade decreased due to two factors, layoffs of initial staff needed for the opening of a large Juneau retail complex and also layoffs at competing stores hurt by the slump in sales due to the grand opening. The decrease in state government employment was attributable to the scaling down of staff assigned to the Alaska Legislature when the legislative session ended.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	7/84	6/84	7/83	6/84	7/83
Nonag. Wage & Salary	30900	30550	32050	350	-1150
Construction	2250	2050	2500	200	-250
Manufacturing	4300	3900	5300	400	-1000
Food & Kindred Prod.	2000	1300	2700	700	-700
Lumber & Paper Prod.	2050	2350	2350	-300	-300
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities	2300	2250	2400	50	-100
Trade	4950	5050	4900	-100	50
Wholesale	500	450	500	50	0
Retail	4450	4600	4400	-150	50
Finance-Ins. & R. Estate	1050	1050	1000	0	50
Mining, Services & Misc.	4600	4550	4650	50	-50
Government	11450	11700	11300	-250	150
Federal	2350	2300	2400	50	-50
State	5500	5650	5450	-150	50
Local	3600	3750	3450	-150	150

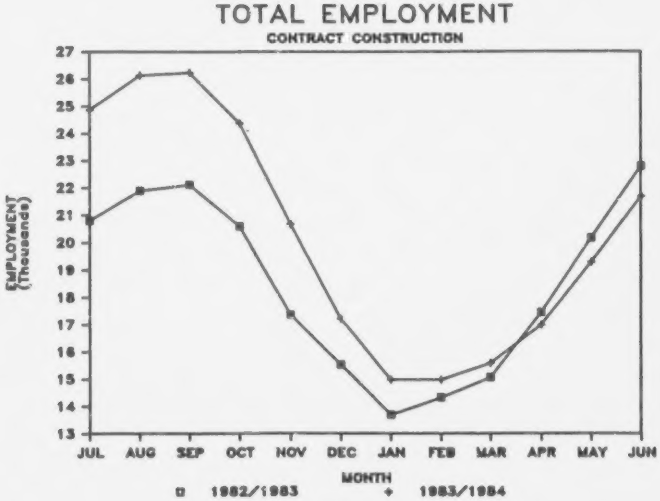
HOURS AND EARNINGS

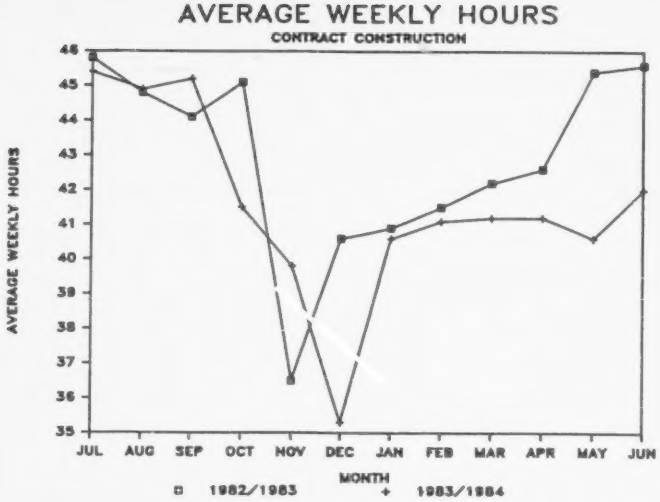
By Kathleen Thomas

Average weekly hours of the food and kindred products sector of manufacturing jumped 32% over May and was followed by a concomitant drop in average hourly earnings of 10%. Historically, as seasonal weekly hours increase in the food and kindred sector, average hourly earnings decrease as more temporary employees are hired. This phenomenon affects aggregate manufacturing due to the weighting factors involved in calculating total manufacturing. The lumber and paper products sector showed little change in average hourly earnings or average weekly hour despite a maintenance closing of a major mill during the report period.

Construction

Average weekly hours for contract construction, though up 4% from May, dropped 8% from the same period a year ago, the second major decrease in a row. So far, total employment has not decreased as would be indicated by the drop in hours. Figure 1 shows total contract construction employment by month as being very similar for both yearly time periods with no major deviations. For each yearly period employment is seasonal with a smooth transition from the peak that occurs in August or September and the trough that occurs in January or February. The yearly trend for average





weekly hours is not as smooth as for employment (Figure 2). For both years average weekly hours drop precipitously in November or December only to rise just as precipitously after the holiday season. Since December of 1983 average weekly hours are below that of the past year. A significant divergence between 1983 and 1984 starts developing in April. By May, average weekly hours for 1984 are 10% lower than the like period in 1983 and in June average weekly hours are 8% lower than June of 1983. Using average weekly hours as an indicator, construction activity appears to be slowing from its high level of past years far more than is indicated by drops in employment. If average weekly hours continue below the level of last year then it is probable that employment in this industry will continue to decline.

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OCTOBER 1984

ALASKA ECONOMIC TRENDS

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1 The Consumer Price Index: An Overview

ALASKA ECONOMIC TRENDS

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Funded by:

October 1984
Volume 4
Issue 10

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

THE CONSUMER PRICE INDEX: AN OVERVIEW

By John Boucher

The Consumer Price Index (CPI) is the most frequently used statistic among the thousands generated by the federal government. It is the most common indicator of changes in the "cost of living", and is used as an escalator in numerous contracts, leases and government entitlement programs. In a world where economic statistics do not generally attract much attention, the CPI is a media darling, regularly garnering front page headlines when it is released. The CPI's high profile has made it fair game for critics. Perhaps worst of all, the rather superficial treatment the CPI can receive in the media leads to misconceptions and misuses of it on the part of the public. This article will attempt to explain the CPI in greater detail and deal with some of the common misconceptions.

First of all, there are two types of CPI's available. The CPI-U is for the urban consumers, and approximates the buying habits of 80% of the population. The CPI-W is for wage and clerical workers and approximates the buying habits of 40% of the population. These CPI's are based on different "market baskets" of goods and services which were arrived at by a survey of consumer buying habits last conducted in 1972. The CPI-U and CPI-W are available for both the nation and the areas which make up the national sample.

The Anchorage urban area is the only local community or area in Alaska for which a CPI is calculated. Two common misconceptions are that the CPI is calculated for just about every community and that the CPI represents a statewide sample. The Bureau of Labor Statistics, who is ultimately responsible for which areas have a CPI and which do not, only selects large metropolitan areas in which to take regular CPI samples. In general, the Bureau's policy is that the sample must be large in order for the data to be accurate. Metropolitan areas offer the size necessary to create a good sample of prices while also allowing the data to be collected relatively inexpensively. The Alaskan CPI user should be aware that the Anchorage CPI only gives information about price changes in the Anchorage area and it is not intended to be a measure of statewide or other local price changes. It is a common practice to assume that a change in the Anchorage CPI would indicate a similar change for other communities. Given the sparseness of comprehensive cost of living data for other communities throughout the state, this is an acceptable practice if one knows the limitations of the data.

Another common mistake made in regards to the CPI is that a dollar value is attached to the index. The CPI has never been a measure of how much it costs to live in one area of the country as opposed to another. The CPI is a measure of prices and how they have changed over a given period of time.

For example, take the Anchorage and Seattle CPI-U for March and May of 1984:

	March 1984	May 1984	2 Month Percentage Change
Anchorage	274.4	275.3	0.3
Seattle	310.2	313.0	0.9

It is commonly assumed that the CPI's above connote some dollar value; i.e., what cost $310.20 in Seattle in March of 1984 cost only $274.40 in Anchorage during that same month. This is not correct, no dollar values are implied in the CPI. What the CPI measures is the change in prices in a certain location. What the above data says is that prices in the Seattle area rose at a faster rate than prices rose in the Anchorage area from March to May. Inflation therefore was more predominant in the Seattle area during this period.

It should also be noted that the Bureau of Labor Statistics official recommendation is that "because local area indexes are based on smaller samples they are subject to substantially more sampling and other error than national indexes. BLS strongly urges users to consider the use of the national indexes in escalator agreements". Perhaps in an effort to encourage the use of the national index, BLS is planning on publishing some local area CPI's less often beginning in 1987. The Anchorage area index will be published only semi-annually beginning in that year.

Using the CPI to Measure Inflation's Impact

The CPI can be a valuable tool in measuring the impact changing prices have on the average consumer's income. Proper use of the CPI is a necessity in these instances because improper uses of the index numbers produce less accurate measurements of the impact prices have on a consumer. Some very simple rules apply for the proper uses of the CPI.

Always use the annual average CPI percentage change when measuring the impact inflation has on a consumer's expenditures. The common error made is to take a measurement at two points in time, calculate a percentage change and assume that this was the inflation rate for that period. The following example will help to illustrate why the annual average should be used. Let's assume that the January 1983 CPI was 100.0 and the January 1984 CPI was 106.0 with these two observations many users would arrive at an inflation rate in the following manner.

$(106.0 - 100.0)/100 \quad = \quad 6/100 \quad = \quad .06$ or 6% inflation

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 6/84	r/ 5/84	6/83	p/ 6/84	r/ 5/84	6/83	p/ 6/84	r/ 5/84	6/83
Mining	$23.75	$24.18	$23.52	47.8	47.9	50.3	$1135.25	$1158.22	$1183.06
Contract Construction	24.48	24.67	23.30	42.0	40.5	45.6	1028.16	999.14	1062.48
Manufacturing	11.63	13.20	11.62	38.4	33.8	41.2	—	—	—
Food & Kindred Products	7.64	8.50	7.82	36.9	28.0	42.3	281.92	238.00	330.79
Lumber & Paper Products	16.70	16.45	16.47	40.0	39.2	39.7	668.00	644.84	653.86
Trans. Comm. & Utilities	15.65	15.30	15.68	39.4	37.9	38.5	616.61	579.87	603.68
Trade	10.38	10.51	10.33	35.7	35.2	35.7	370.57	369.95	368.78
Wholesale	12.40	12.11	11.80	37.9	36.9	38.4	469.96	446.86	453.12
Retail	9.56	9.88	9.71	34.9	34.5	34.6	333.64	340.86	335.97
Finance-Ins. & R. Estate	—	—	—	—	—	—	379.20	371.91	341.06

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

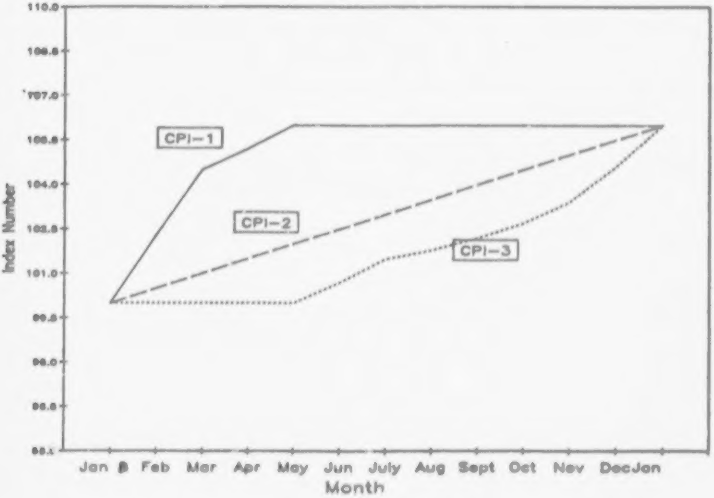
2/ Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

The users error is not one of mathematics, the formula used is correct, but the error is one of omission. Consider the example graphs of three CPI's and their different interim observations.

All of the CPI's have 100.0 for the January 1982 observation and 106.0 for the January 1984 observation, yet inflation in each case was much different. In CPI-3 price increases did not occur until June leaving the first five months of the year inflation free. CPI-1 shows price increases occurring until May and staying at that level for the remainder of the year. In CPI-2 prices increased at a steady rate throughout the year. Since the consumer is spending his income continuously during the year each universe would have a different cumulative impact upon the consumers income. Assuming the consumer has a fixed income, the prices indicated by CPI-1 would take the largest amount of the consumers income because prices reached their higher level sooner in the year. CPI-2 would indicate the next highest inflation rate and CPI-3 would be the lowest rate of inflation.

Consumer Price Index
Example CPI's



By using the BLS method of calculating the annual average CPI, the impact on the consumer of each CPI can be quantified. First of all, one might notice that there are 12 observations graphed in the above graph yet the Anchorage CPI is only published every other month. The other 6 observations used in calculating the annual averages are estimated in the following manner:

$$I = \sqrt{Mp * Mf}$$

Where I is equal to the index, Mp equals the index for the month prior to the month being estimated and Mf equals the index for the month following the month being estimated.

When the six index numbers have been imputed for the missing observations, the annual average index number is calculated as follows:

$$\sqrt[12]{X1 * X2 * X3 * \ldots\ldots * X12}$$

Where X1 = the index number for the first month, X2 the index for the second month and so forth. Using the above method, the following annual average CPI's are calculated from the monthly measurement of price levels or monthly CPI's.

CPI - 1	105.0
CPI - 2	102.7
CPI - 3	101.4

This number is the annual average CPI for the example period from January 1983 to December 1983. To calculate the "inflation rate" one would then use the following formula:

$$(A - B)/B$$

Where A = the most recent periods annual average CPI and B is equal to the previous periods annual average CPI. For simplicities sake if we assume that the 1982 annual average was 97.5, the following inflation rates would be found:

CPI-1: (105.0-97.5)/97.5 = 7.5/97.5 = .077 or 7.7% inflation

CPI-2: (102.7-97.5)/97.5 = 5.2/97.5 = .053 or 5.3% inflation

CPI-3: (101.4-97.5)/97.5 = 3.9/97.5 = .040 or 4% inflation

Graphic presentation of the CPI is a tool that can better illustrate the impact of price changes. Oftentimes the CPI is used as a measure to predict future inflation. Frequently future inflation is predicted based on last year's rate. If we extrapolate the three lines on the graph into 1984 you can see the weakness of this argument. In CPI-1 for example you have the highest inflation rate in 1983 but prices were stable during the last 7 months indicating that a lower inflation rate might be expected during 1984. CPI-3 on the other hand had dramatic increases in prices during the last several months of the year indicating that prices could increase at a much faster rate during the next 12 months. Only with CPI-2 would you expect inflation to remain constant during the next 12 month period.

Developing a thorough knowledge of what the CPI measures and how to properly use it is the most important rule in regards to the CPI. When you are involved in bargaining or negotiating a contract the CPI will undoubtedly be useful in arriving at a fair settlement. If the other party has a more thorough knowledge of the index you may find yourself negotiating from a weaker position simply because you have to accept their numbers at face value.

Remember also that the Department of Labor, Research & Analysis Section exists to assist you in matters such as these. If you want to know what the CPI has been doing for a certain period, or you need an explanation of what a CPI number means, don't hesitate to call upon us to answer your questions.

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ALASKA

By Ed Eboch

Economic activity in Alaska continues to be strong, as evidenced by growth in nonagricultural wage and salary employment, but the growth trend seems to be slowing. Employment in August 1984 is above August 1983 but the year to year growth has begun to narrow. If the contraction in construction occurs as anticipated later this year, we may see year to year declines in monthly total nonagricultural wage and salary employment. The decline is expected to be of a short duration, partially offset by the impact additions to Alaska's military personnel will have on the trade and service sectors.

Construction

Construction employment for August was exceptionally robust given the evidence of overbuilding in both the residential and commercial sectors. Preliminary estimates when contrasted to the past several months indicate August 1984 construction employment as being greater than the same period in 1983. This employment activity is largely a result of projects started last year or earlier this year as permits for new building starts are down considerably from the levels of the past two years. With the surplus of office space and residential housing and the rapid expansion of malls in most larger communities there should be little incentive for private construction to maintain the level of activity we have seen the past several years.

With lower oil prices, the state's June oil revenue forecasts have suggested the possibility of a state budget shortfall in revenues by the end of FY 85. The problem will not be serious unless prices fall further, but it means less monies available for construction projects in FY 86. In addition there is no longer the backlog of state funded projects that have existed in past years.

Oil

The lower than previously forecast prices of crude oil and the fear of further drops in oil prices have resulted in a go slow attitude about exploration and development in Alaska. Payments made during the recent Beaufort Sea oil and gas lease sale should not be interpreted as a signal that exploration and development will continue at the pace of past years. This is the third sale in the Beaufort Sea and given the amount of information known about the area the amounts paid were not impressive. Many tracks drew no bids. Exploration will be pursued but at a slow pace until the price of crude oil improves.

While construction activity on the North Slope will be down in 1985 the 1986 and 1987 seasons should be near the 1982/83 levels. The Lisburne and

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK ALASKA

				CHANGES FROM:	
	P/	R/			
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	236800	234300	233700	2500	3100
Mining	8300	8200	8800	100	-500
Construction	24800	23400	26100	1400	-1300
Manufacturing	19700	20300	21500	-600	-1800
Food & Kindred Prod.	13800	14600	15400	-800	-1600
Lumber & Paper Prod.	2700	2500	3000	200	-300
All Other Mfg.	3200	3200	3100	0	100
Trans. Comm. & Utilities	20600	20500	20000	100	600
Trucking & Whseing.	2600	2500	2400	100	200
Water Transportation	1700	1700	1700	0	0
Air Transportation	6400	6600	6400	-200	0
Other Trans. Comm. & Utilities	9900	9700	9500	200	400
Trade	45900	45600	44300	300	1600
Wholesale	9100	8900	8300	200	800
Retail	36800	36700	36000	100	800
Gen. Merchandise & Apparel	5100	5200	4900	-100	200
Food Stores	6000	6000	5800	0	200
Eating & Drinking Places	13200	13000	12900	200	300
Other Retail Trade	12500	12500	12400	0	100
Fin.-Insurance & R. Estate	11600	11500	11000	100	600
Services & Misc.	43400	42600	41400	800	2000
Government	62500	62200	60600	300	1900
Federal	18800	18600	18200	200	600
State	18600	18700	18100	-100	500
Local	25100	24900	24300	200	800

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1983.

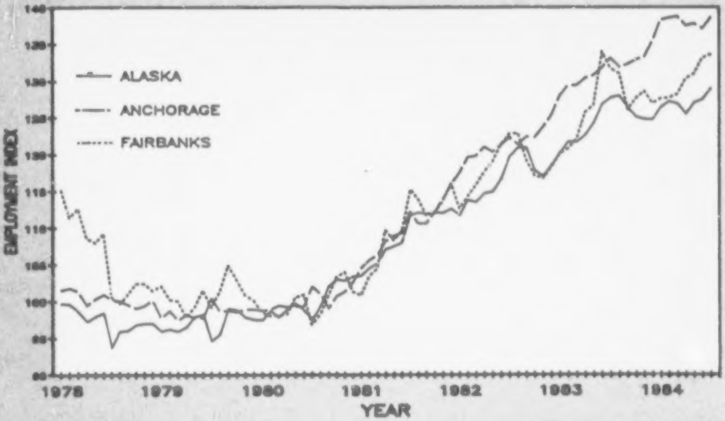
P Denotes premilinary estimates.

R Denotes revised estimates.

Kuparuk development projects, already beyond the planning stages, will continue. Even these projects are at risk should oil prices drop further or should costs be driven up as a result of delays in permitting. Other potential development projects are being deferred until the profit outlook becomes more attractive. Given the length of time it takes to move a project from planning to implementation no additional significant activity is expected in oil or gas development for several years.

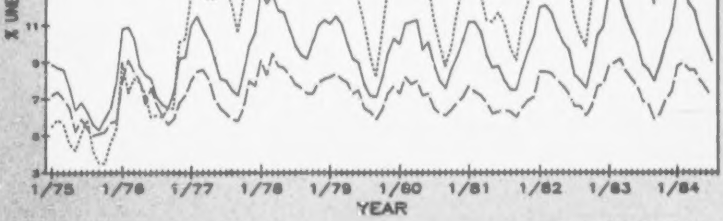
Summary

With the smallest sealift in several years, reduced state revenues and the excess capacity in residential and commercial space, construction employment is expected to drop below last year levels as the year progresses. Offsetting this drop somewhat are the competitive bids now being received for state projects. Recent bids have been below the engineer's estimates. Current labor negotiations indicate possible wage savings to contractors. Should this trend in lower construction costs continue the State may get more "construction employment" from the same number of dollars. This will not be sufficient to significantly offset the declines anticipated in construction employment.



Composite Nonag. Employment Indexes
Seasonally Adjusted
1978 to Present

source: Ak. Dept. of Labor



UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1975 to Present

source: Ak. Dept. of Labor

ANCHORAGE-MATSU

By Greg Huff

Anchorage Retail Trade

According to the Bureau of the Census there were 1,838 retail trade establishments in Anchorage during 1982. Retail trade establishments are those businesses selling merchandise for personal or household consumption or rendering services incidental to the sale of goods. Retail trade firms include building material, hardware, garden supply, food, apparel and accessory' furniture and equipment, general merchandise, and miscellaneous retail stores as well as eating and drinking places, mobile home dealers, automotive dealers and gasoline service stations.

The Bureau of the Census conducts a retail trade census across the country at five year intervals. Data for the 1982 Anchorage retail trade census collected in 1983 provides important insight on the structure and function of Anchorage's retail trade sector. The census also contains the only comprehensive retail trade sales data for Anchorage. This article focuses on the prominent characteristics and changes in Anchorage's retail trade industry. A comparison between 1982 Anchorage retail trade census and those for Alaska and the U.S. will be presented in next month's *Alaska Economic Trends.*

Of the 1,838 Anchorage retail trade establishments in 1982, 61% were unincorporated businesses. Individual proprietorships accounted for nearly 9 out of 10 of the unincorporated businesses and partnerships made up the remainder. Sixty percent of all retail trade establishments had payrolled employers in 1982 but these firms accounted for 98.5% of total sales.

Since the retail trade census is conducted at five-year intervals, the census reflects the net change over that period although there may have been deviations from the longer term trends during the interim years. The census data reveals longer term trends but tells little about shorter term cyclical trends. In Anchorage this is particularly true because the 1977 to 1980 period was a lull period in the Anchorage economy. In 1977 the Anchorage economy was still strong from the pipeline construction but growth was moderate for the few years after 1977. By 1980 the injection of oil dollars in the economy had induced the beginning of another high growth period.

Overall, the 1982 Anchorage retail trade census shows a changing and growing retail trade sector. This growth in retail trade activity was caused by increases in population, real per capita incomes, construction activity and increased tourism. During 1982 Anchorage retail trade sales totaled

$1.8 billion. Sales adjusted for inflation, increased 25% from the 1977 levels, while per capita expenditures adjusted for inflation increased from $5,335 in 1977 to $5,842 in 1982. Inflation adjusted sales per firm rose from $72,704 to $75,225 and the number of employees per firm increased from 13.7 to 14.3. One new establishment was introduced for every 5 existing establishments from 1977 to 1984, while total retail trade employment rose 22% over this period.

Sales grew fastest in the building material, hardware and garden supply retail group; rising from $69 million in 1977 to $206 million in 1982 ($138 million adjusted for inflation). In 1977 this group represented 7.3% of total retail sales but as a result of the rapid growth in sales this group increased its share of total sales to 11.7% by 1982. Not only were there more firms in 1982 but sales per firm increased by 57%. This increase in sales lead to rapid growth both in the number of firms and in retail trade employment.

The number of jobs in the building supply, hardware and garden supply group increased 105% over the 5-year period. This was faster than any other retail sector. The rapid sales and employment growth was also reflected in the rise from 10.3 to 16.5 in the number of employers per firm. The number of establishments grew 28%. Overall, the building materials, hardware and garden supply group has increased its size in terms of sales, employment and the number of establishments, echoing the higher building activity in late 1980-1982 period.

The general merchandise sector is the largest retail group in Anchorage. They have the greatest number of employees per firm and most sales per firm. In 1982 there was an average of 130 employees per firm and sales averaged $17.8 million per establishment (four times greater than the next highest of $4.8 million per automotive dealer). However, this sector represents the smallest proportion of firms. The actual number of establishments has been on the decline for over a decade dropping from 18 firms in 1972 to 13 firms in 1982.

Purchases at food stores accounted for 17% of the total retail sales in 1982, some $296 million. This percentage has fallen since 1977 when food store sales represented 22% of total retail sales. As the Anchorage retail trade sector diversifies, there is a wider array of retail establishment available to the Anchorage resident. The number of establishments classified as food stores dropped from the 1977 levels of 101 establishments to 91 in 1982, but remained substantially above the 1972 number of 58. This may indicate the phenomena of the chain stores replacing the smaller independent grocery stores. This is evidenced by the increase of employee per firm from 16 to 22. Although the actual number of establishments declined over that period employment grew 20% and sales by 44%.

The automotive dealers had the highest sales to employee ratio among the retail trade industry. In 1982 this amounted to nearly $280,000 per employee. Automobiles are a big ticket item so each individual purchase represents a substantial dollar purchase. Auto sales account for 15% of total retail sales. Although sales have increased, the number of firms and employees remained stable over the period.

Table I
Summary Statistics
Anchorage Retail Trade Census
1982

	# of Firms	Sales (100 Thous.)	Payroll	Employees
Total Retail Trade	1,838	1,795	226	15,800
Building Material, Hardware, Garden Supply	51	206	22	842
General Merchandise	13	232	29	1.697
Food Stores	91	296	31	2,003
Automotive	57	267	28	957
Gasoline Service Station	75	118	7	526
Apparel & Accessory	104	82	10	787
Furniture, Home Furn. and Equip.	90	85	11	677
Eating and Drinking	307	217	60	6,309
Drug and Proprietary Stores	26	84	9	434
Misc. Retail Stores	293	180	20	1,568
Establishments Reporting no Emp.	731	26	n/a	n/a

The characteristics of gasoline service stations have changed in response to the conversion from full-service stations to self-service stations. The changes are reflected in the fall in employment per firm and overall employment has declined despite the number of service stations increasing. Sales, per firm jumped, increasing from $50 million in 1977 to $80 million in 1982 inflation adjusted dollars. Both increasing gasoline prices and increased market size contributed to this growth in sales.

The apparel and accessory stores also experienced rapid gain in sales. Inflation adjusted sales over the census period increased by 65%. An increase in sales per firm and an increase in the number of establishments pushed apparel and accessory store employment up 25%. These stores tend to be small in comparison to the average retail trade establishments, averaging 7.5 employees per firm in 1982, up from 5.8 in 1977. Related to the upsurge in the residential home market the furniture, home furnishing and equipment stores have registered an increase of 60% inflation adjusted sales over the census period. Increased sales per firm and gains in the number of firms have resulted in an increase of 74% in employment for these firms.

LABOR FORCE BY REGION AND CENSUS DIVISION

	Labor Force			Unemployment			Rate			Employment		
	P	R		P	R		P	R		P	R	
	8/84	7/84	8/83	8/84	7/84	8/83	8/84	7/84	8/83	8/84	7/84	8/83
Alaska Statewide	254509	255998	249767	21519	23360	21528	8.5	9.1	8.6	232990	232638	228239
Anchorage-MatSu Region	129762	129833	123901	9461	9862	9086	7.3	7.6	7.3	120301	119971	114815
Anchorage	117234	117229	111642	8082	8376	7467	6.9	7.1	6.7	109152	108853	104175
Matanuska-Susitna	12528	12604	12259	1379	1486	1619	11.0	11.8	13.2	11149	11118	10640
Gulf Coast Region	31789	32135	31564	2527	3021	2540	7.9	9.4	8.0	29262	29114	29024
Cordova	1618	1640	1605	52	82	51	3.2	5.0	3.2	1566	1558	1554
Kenai	16610	16861	16505	1700	2027	1717	10.2	12.0	10.4	14910	14834	14788
Kodiak	6971	7006	6878	289	358	251	4.1	5.1	3.6	6682	6648	6627
Seward	2298	2296	2253	211	220	183	9.2	9.6	8.1	2087	2076	2070
Valdez	4292	4332	4323	275	334	338	6.4	7.7	7.8	4017	3998	3985
Interior Region	33412	33891	33485	3990	4625	4758	11.9	13.6	14.2	29422	29266	28727
Fairbanks	27265	27719	27452	3284	3866	4037	12.0	13.9	14.7	23981	23853	23415
Southeast Fairbanks	2692	2694	2640	286	301	291	10.6	11.2	11.0	2406	2393	2349
Upper Yukon	852	876	841	135	162	141	15.8	18.5	16.8	717	714	700
Yukon-Koyukuk	2603	2602	2552	285	296	289	10.9	11.4	11.3	2318	2306	2263
Northern Region	11187	11390	12068	993	1057	1181	8.9	9.3	9.8	10194	10333	10887
Barrow-North Slope	2935	2959	3204	185	172	267	6.3	5.8	8.3	2750	2787	2937
Kobuk	3583	3673	3841	419	466	462	11.7	12.7	12.0	3164	3207	3379
Nome	4669	4758	5023	389	419	452	8.3	8.8	9.0	4280	4339	4571
Southeast Region	35042	34609	35755	3414	3812	2908	9.7	11.0	8.1	31628	30797	32847
Angoon	500	498	519	81	90	84	16.2	18.1	16.2	419	408	435
Haines	1161	1137	1204	94	98	96	8.1	8.6	8.0	1067	1039	1108
Juneau	12654	12420	12937	1172	1239	1014	9.3	10.0	7.8	11482	11181	11923
Ketchikan	7706	7718	7454	1053	1240	544	13.7	16.1	7.3	6653	6478	6910
Outer Ketchikan	891	882	883	107	119	69	12.0	13.5	7.8	784	763	814
Prince of Wales	1601	1601	1733	138	176	213	8.6	11.0	12.3	1463	1425	1520
Sitka	4978	4839	5197	340	323	380	6.8	6.7	7.3	4638	4516	4817
Skagway	1670	1629	1834	123	123	227	7.4	7.6	12.4	1547	1506	1607
Wrangell-Petersburg	3881	3885	3994	306	404	281	7.9	10.4	7.0	3575	3481	3713
Southwest Region	13317	14140	12994	1134	983	1055	8.5	7.0	8.1	12183	13157	11939
Aleutian Islands	3473	3713	3394	160	135	147	4.6	3.6	4.3	3313	3578	3247
Bethel	4353	4624	4273	477	438	475	11.0	9.5	11.1	3876	4186	3798
Bristol Bay Borough	464	489	447	27	17	19	5.8	3.5	4.3	437	472	428
Bristol Bay	1747	1852	1682	111	85	79	6.4	4.6	4.7	1636	1767	1603
Kuskokwim	1186	1271	1167	129	130	132	10.9	10.2	11.3	1057	1141	1035
Wade Hampton	2094	2191	2031	230	178	203	11.0	8.1	10.0	1864	2013	1828

P/=Preliminary 1983 Benchmark

R/=Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE/MATSU

				CHANGES FROM:	
	P/	R/			
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	120750	120000	115800	750	4950
Mining	3600	3600	3800	0	-200
Construction	12700	12250	12700	450	0
Manufacturing	3350	3750	3300	-400	50
Trans. Comm. & Utilities	10250	10150	9650	100	600
Trade	29400	29200	27750	200	1650
Fin.-Insurance & R. Estate	8300	8300	7650	0	650
Services & Misc.	25700	25350	25050	350	650
Government	27450	27400	25900	50	1550

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

				CHANGES FROM:	
	P/	R/			
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	114600	113650	110200	950	4400
Mining	3550	3550	3750	0	-200
Construction	11800	11300	11650	500	150
Manufacturing	3200	3600	3150	-400	50
Food & Kindred Prod.	950	1350	1000	-400	-50
Other Mfg.	2250	2250	2150	0	100
Trans. Comm. & Utilities	9750	9650	9100	100	650
Trucking & Whseing.	1350	1300	1250	50	100
Water Transportation	400	350	300	50	100
Air Transportation	4000	4050	3900	-50	100
Other Trans. Comm. & Utilities	4000	3950	3650	50	350
Trade	28000	27950	26550	50	1450
Wholesale	6500	6450	6000	50	500
Retail	21500	21500	20550	0	950
Gen. Merchandise	1750	1800	1750	-50	0
Food Stores	2900	2900	2500	0	400
Eating & Drinking Places	8450	8250	8050	200	400
Other Retail Trade	8400	8550	8250	-150	150
Fin.-Insurance & R. Estate	7950	7950	7350	0	600
Services & Misc.	24750	24400	24150	350	600
Government	25600	25250	24500	350	1100
Federal	10500	10250	10050	250	450
State	6200	6150	6100	50	100
Local	8900	8850	8350	50	550

Eating and drinking places represent the single largest group in retail trade in terms of the numbers of establishments and employment. Nearly one-third of all retail establishments in 1982 were eating and drinking places with 40% of the retail trade employees. This group is also increasing in size of establishment as reflected by the increase of 17 to 21 in the number of employees per establishment. Total employment rose 40% over the survey period..

Eating and drinking places are labor intensive, thus they register the lowest sales per employee ratio among the retail trade sectors, averaging $34,400 per employee compared to the industry's average of $75,200 per employee. The drug and proprietary stores were the only firms in the retail trade sector with an inflation adjusted plunge in their sales, dropping 3%. There was also a fall in employees per firm from 21 to 17. The number of firms increased 18% while employment only grew 6%. Overall, this sector was the only stagnant sector within retail trade.

Miscellaneous retail trade stores, which include liquor, sporting goods and jewelry stores represent a large percentage of the total number of retail outlets in Anchorage, but have the lowest proportion of employees per firm within the retail industry. In 1982 the ratio was 5.4 employees per establishment compared to the industry average of 14.3. This ratio actually declined from the 1977 ratio of 5.6. All other characteristics were on the plus side. Inflation adjusted sales were up 48%, number of establishments up 30%, and overall employment grew 24%.

In summary, the 1982 Anchorage retail trade census records a dynamic retail trade industry being molded by an expanding population and high income base and the general maturing of Anchorage's economy.

Table II
Summary Statistics
Anchorage Retail Trade Census
1977

	# of Firms	Sales (100 Thous.)	Employees
Retail Trade	1426	*	*
Building Materials, Hardware and Garden Supply	40	693	410
General Merchandise Stores	16	1473	2342
Food Stores	101	2052	1669
Automotive Dealers	52	1522	931
Gasoline Service Dealers	69	504	572
Apparel & Accessory Stores	86	408	629
Furniture, Home Furn. and Equipment	67	354	389
Eating and Drinking Places	267	1240	4493
Drug and Proprietary Stores	22	490	461
Miscellaneous Retail Stores	226	839	1265
Establishments Reporting no Emp.	480	*	*

* **Not available.**

FAIRBANKS/INTERIOR

By Neal Fried

Fairbanks' Service Sector

The service sector has been a leading growth industry nationally and Fairbanks is no exception. During the period from 1973 to 1982 overall employment in Fairbanks has grown 68% while services employment has increased by 90%. From preliminary employment estimates this trend has continued into 1984. All components of the service industry have grown in absolute terms. Growth in services has come as a result of a rise in income and evolution of the economy. Over the past decade, Fairbanks service industry's share of total employment has increased from 17% to 19%. There is every reason to believe the service sector will continue to be a growth industry in Fairbanks.

The definition of the service industry can be extensive and usually includes all types of activities. When references are made about the service industry, all industries but agriculture, mining, and construction are often included. In this article a more tightly defined, though still wide ranging definition is used. Throughout this article service employment will be referring to the service industry designations which appear monthly in the nonagricultural wage and salary tables. There are approximately 15 different categories which fit under the services heading including personal, recreation, health, legal and social services (See table).

Health care services is not only the largest component, but has made the greatest gains in absolute employment. Health care services has also increased its share of the service industry employment from 21% to 25%. This growth comes as a result of rising incomes, increased insurance coverage and state and federal health programs. Auto repair, though small, has increased its employment over 400%. This may be because people now keep their cars longer but it is also because gas stations, which are classified under trade, are less likely to have repair garages today.

Though hotels and lodgings, business, personal and legal services have all grown, their percentage share of employment has remained unchanged or declined. This means that these firms did not grow as fast as other firms in the service sector. This was surprising with hotels and lodgings given the growth in the tourism industry. For a number of components no comparisons can be readily made because of definitional changes or other adjustments.

With the growth of income and the expansion of the economy, the growth in the service sector comes as little surprise. The service industry in Fairbanks received an additional boost from the economic growth for the rest of the region. This industry not only provides services to the local

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/	R/		CHANGES FROM:	
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	29750	29350	29200	400	550
Mining	300	250	350	50	-50
Construction	4050	3750	4050	300	0
Manufacturing	650	650	650	0	0
Trans. Comm. & Utilities	3050	3050	3100	0	-50
Trucking & Whseing.	500	550	500	-50	0
Air Transportation	750	750	750	0	0
Other Trans. Comm. & Utilities	1800	1750	1850	50	-50
Trade	6150	6050	5900	100	250
Wholesale	1050	1000	850	50	200
Retail	5100	5050	5050	50	50
Gen. Merchandise & Apparel	450	450	400	0	50
Food Stores	800	800	750	0	50
Other Retail Trade	3850	3800	3900	50	-50
Fin.-Insurance & R. Estate	1000	1000	1000	0	0
Services & Misc.	5850	5750	5700	100	150
Government	8700	8850	8450	-150	250
Federal	2700	2800	2600	-100	100
State	3600	3650	3500	-50	100
Local	2400	2400	2350	0	50

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/	R/		CHANGES FROM:	
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	33650	33200	32950	450	700
Mining	450	450	550	0	-100
Construction	4150	3850	4150	300	0
Manufacturing	700	700	650	0	50
Trans. Comm. & Utilities	3800	3750	3800	50	0
Trade	6600	6500	6400	100	200
Fin.-Insurance & R. Estate	1100	1100	1050	0	50
Services & Misc.	6300	6150	6100	150	200
Government	10550	10700	10250	-150	300

economy but also provides services to much of the Interior and the Northern portion of the state. This may explain why services' employment share is larger in Fairbanks than it is statewide (19% versus 18%). Fairbanks service industry share is smaller than the nation's, which may indicate that the Fairbanks' service sector still has room to expand. Given the community's relative high income and the potential for import substitution services' share of employment should continue to rise.

Fairbanks Services Employment
1973-1983

	1973 Number	Percent of Services Employ.	1983 Number	Percent of Services Employ.
Services Employment Total	2,549	100.0	4,901	100.0
Hotels & Other Lodgings	272	10.7	458	9.3
Personal Services	144	5.6	214	4.4
Business Services	569	22.3	871	17.8
Auto Repair Services & Garages	43	1.7	188	3.8
Misc. Repair Services	28	1.1	60	1.2
Motion Pictures	*	*	*	*
Amusement & Recreation Services	*	*	*	*
Health Services	542	21.3	1214	24.8
Legal Services	72	2.8	139	2.8
Educational Services	44	1.7	57	1.2
Social Services	*	*	469	9.6
Museum & Art Galleries	*	*	*	*
Membership Organizations**	204	8.0	601	12.3
Private Households	*	*	*	*
Misc. Services**	593	23.3	436	8.9

* Nondisclosable

** Because of definitional changes, valid comparisons cannot be made.

GULF COAST

By Neal Fried

The Salmon Season

Gulf Coast's unemployment rates continued to fall in August. Some of the area's unemployment rates have dropped below 5% during the past 2 months. These very low rates of unemployment are a result of the summer salmon runs which have been underway since June and usually end by late August. Three-quarters of the fish harvesting employment in the Gulf Coast during these months can be attributed to the salmon fishery. Salmon are also harvested during May and September in the region, but the peak runs occur during late summer.

Kodiak and Cordova are the areas in the region where the unemployment rates have fallen below 5%. These low rates are as temporary as the fishing season. Within two months the rates will climb quickly, reaching double digit levels by November. The other areas in the region, Valdez and the Kenai Peninsula, have active fisheries but they are not as singularly reliant on these industries for employment and therefore experience more stable unemployment rates.

There are two ways to evaluate the salmon fishery, biologically and economically. Biologically refers to the size, number and quality of fish. Economically refers to fish prices and dollar value of the fish harvested. Results of the 1984 salmon season have been mixed but they have been on the upbeat side more often than not.

Statewide, the salmon fishery harvest was the third largest in history. Gulf Coast's harvest and Southwest Alaska's harvest have kept the region's fish processors almost as busy as last season. Good Southwest harvests benefit Gulf Coast processors that process salmon from the Southwest. The average fish processing employment in the Gulf Coast region during the three big salmon months was 5,100 in 1983, compared to 5,050 in 1984. With some improvements in prices and good volumes the dollar value of the catch this year could be better than last year.

There are no 1984 employment figures for those participating in actual salmon harvesting. They are not counted in our wage and salary figures as fish processing employees. The latest figures for those individuals involved in fish harvesting are for 1982, when average employment for this group was estimated to be 4,768 for the summer salmon season. Fishing related employment rises above the 10,000 mark during the summer salmon season, and peaks at around 11,000 during July or August in the

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

				CHANGES FROM:	
	P/	R/			
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	25000	24850	24850	150	150
Mining	700	700	700	0	0
Construction	2650	2550	2500	100	150
Manufacturing	6750	6750	7300	0	-550
Food & Kindred Prod.	6000	6000	6550	0	-550
All Other Mfg.	750	750	750	0	0
Trans. Comm. & Utilities	2450	2500	2400	-50	50
Trade	3700	3650	3550	50	150
Wholesale	600	600	600	0	0
Retail	3100	3050	2950	50	150
Fin.-Insurance & R. Estate	550	500	500	50	50
Services & Misc.	3500	3500	3350	0	150
Government	4700	4700	4550	0	150
Federal	550	600	600	-50	-50
State	1550	1550	1400	0	150
Local	2600	2550	2550	50	50

Gulf Coast. These numbers do not include others involved in the fishing industry, such as truckdrivers, buyers or repair operations. Though statistics for this group are not separated from their industry statistics the number is significant, pushing the overall fishing industry employment in the region far higher.

SOUTHEAST ALASKA

By John Boucher

Southeast Alaska nonagricultural wage and salary employment increased by 900 jobs in the month of August to 31,900. The August increase represented a 2.9% increase in employment over July. Last August employment in Southeast was 32,500 which meant that overall wage and salary employment has declined by 1.0% since August of 1983.

Leading all employment gainers over the month was the manfacturing industry, in particular, the food and kindred products sector. A strong pink salmon run in the southern purse seine districts contributed to the employment increase. The Northern districts of the region started the month with lower salmon returns than were predicted by the Alaska Department of Fish and Game, however, middle and late salmon runs have bolstered early low returns. Employment in this industry was near 2,500 in August, which put 1984 in the top 5 years for seafood processing employment.

As explained in the August issue of *Alaska Economic Trends* as overreporting of seafood processing employment has existed in the region from the second quarter of 1980 until recently. The historical series have now been adjusted to correct the overreporting problem. Users who are interested in a revised historical employment data series can contact the Department of Labor, Research and Analysis section.

Employment during the peak months of 1984 is running slightly behind last year in large part due to two factors. Construction is not quite as strong in the region this summer because of the completion of the hydro projects and a slowing in residential and commercial building construction. Total housing unit permits issued during the first 6 months of 1984 in Juneau and Ketchikan were down 48% and 66% from the same period in 1983. In Sitka housing unit permits were slightly below 1983 levels while Petersburg and Wrangell were the only communities to register gains over the first half of last year. Another factor in the year to year drop is the weakness in the Southeast wood products industry. August pulp mill employment was responsible for the lion's share of the year to year drop in manufacturing as one facility was closed during the reporting period.

Trade and services employment were the bright spots in the year to year employment picture. All sectors of trade were either performing as well or better than they were in 1983. Retail trade has experienced the strongest overall growth. New eating and drinking establishments as well as the catchall miscellaneous retail trade category have contributed to employment growth. Wholesale trade is not experiencing the strong growth the retail sector has experienced due to the slowdown in construction activity over last year. Services employment is also experiencing growth in just

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/		CHANGES FROM:	
	8/84	7/84	8/83	7/84	8/83
Nonag. Wage & Salary	31900	31000	32250	900	-350
Construction	2350	2150	2600	200	-250
Manufacturing	4700	4300	5100	400	-400
Food & Kindred Prod.	2450	2000	2450	450	0
Lumber & Paper Prod.	2000	2050	2400	-50	-400
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities.....	2350	2350	2400	0	-50
Trade	5200	5150	5000	50	200
Wholesale	500	500	500	0	0
Retail	4700	4650	4500	50	200
Fin.-Insurance & R. Estate	1050	1050	1050	0	0
Mining, Services & Misc.	4800	4600	4650	200	150
Government	11450	11400	11450	50	0
Federal	2350	2350	2450	0	-100
State	5450	5500	5350	-50	100
Local	3650	3550	3650	100	0

about every sector. Hotel and motel employment, medical services and the miscellaneous services category are all up over 1983 levels.

Southeast Unemployment

Southeast Alaska had shown some steady improvements in the rate of unemployment during the year but August's 9.7% was substantially higher than the 1983 August rate. This is the second month in a row that 1984's unemployment rate was above 1983's unemployment rate. The factors mentioned above are largely responsible for the relatively high unemployment rate during the past two months. August and September traditionally have the lowest unemployment rates during the year so look for unemployment to be close to August's level next month and then begin to increase sharply in the period from October to December.

Although the 1984 unemployment rate has yet to be determined, if the first eight months are any indication unemployment in Southeast may come in slightly lower than the 1983 annual average of 12.3%. Of the eight months so far this year only three have had higher unemployment rates than for the same month during 1983. However, if the recent trend of unemployment rates above the year ago continues through December, 1984 could be a worse year for unemployment than was 1983.

HOURS AND EARNINGS

By Kathleen Thomas

In order to improve the quality of the data presented in *Alaska Economic Trends*, efforts are being made to solicit new entries into the sample of businesses that report employment, payroll, and hours. Associated with this increase in the sample size is a change in the mixture of firm sizes, numbers of employees, weekly hours worked, and payroll. Depending on the magnitude of the change in sample size, average hourly earnings and average weekly hours could deviate from those figures reported for the previous month and previous year.

Consider wholesale trade where new firms comprise 33% of the total wholesale trade sample. That equates to one third more firms in the sample for the month of July than in the June sample. Average hourly earnings for wholesale trade increased 7% from June 1984. If the new firms were not included, the month to month change in average hourly earnings would have been negligible. Transportation, communication, and utilities and wholesale trade both had an infusion of new reporters, therefore, these two sectors will need to be examined closely to evaluate any resulting changes.

Average weekly hours in contract construction experienced a 5% increase over June but are still below July 1983 levels. The lumber and paper products sector of manufacturing continued to decline with average hourly earnings dropping 7% and average weekly hours dropping 10%.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 7/84	r/ 6/84	7/83	p/ 7/84	r/ 6/84	7/83	p/ 7/84	r/ 6/84	7/83
Mining	$23.54	$23.55	$23.64	49.5	47.9	52.5	$1165.23	$1128.05	$1241.10
Contract Construction	24.84	24.38	24.07	43.8	41.9	45.4	1087.99	1021.52	1092.78
Manufacturing	9.46	11.54	10.37	44.5	39.0	39.7	420.97	450.06	411.69
Food & Kindred Products	7.45	7.54	8.29	46.6	38.0	40.1	347.17	286.52	332.43
Lumber & Paper Products	15.58	16.70	17.39	35.9	40.0	34.8	559.32	668.00	605.17
Trans. Comm. & Utilities	15.67	15.80	16.33	40.2	38.9	39.0	629.93	614.62	636.87
Trade	10.59	10.36	10.12	37.0	36.0	36.6	391.83	372.96	370.39
Wholesale	13.43	12.58	11.85	39.2	38.3	39.1	526.46	481.81	463.34
Retail	9.44	9.45	9.43	36.2	35.2	35.6	341.73	332.64	335.71
Fin.-Insurance & R. Estate	—	—	—	—	—	—	389.90	382.04	350.13

1/ Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2/ Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.